INDIAN POLITY:

A VIEW OF

THE SYSTEM OF ADMINISTRATION IN INDIA.

BY

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Οὐ μόνον ἄρα δυνατὸν, ἀλλὰ καὶ ἄριστον πόλει νόμιμον ἐτίθεμεν.

(Thus the system we have proposed is not only practicable, but is also best for the state.)

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PREFACE

TO

THE SECOND EDITION.

THE reforms in Indian administration during the past two years, have included certain proposals put forward in the first edition of this work, and involve considerable alteration now, in order to bring the descriptive portion into accordance with existing facts. The rapid development of policy in regard to public works which has taken place during this time, and the new aspect presented by the financial condition of the country, have rendered it necessary to re-write in part the concluding chapters.

That reconstruction of the Indian army, which was before strongly advocated, has still to be entered upon, although the necessity for an entire change in its organisation becomes every day more apparent. The part of the work which refers to that subject is, therefore, reprinted almost without alteration.

LONDON:
June 1870.

PREFACE

TO

THE FIRST EDITION.

THE FOLLOWING PAGES have for their twofold object to furnish an outline of the system under which British India is ruled, and to bring to notice some points in that system which appear to call for improvement. Ten years have already elapsed since the direct government of that country was assumed by the Crown, and its affairs made matters of Imperial interest. The time, then, has arrived when the whole course of Indian administration may fitly be reviewed, as a preparation towards modifying it where policy and wisdom recommend, instead of leaving its reform to the pressure of chance; and on this head some considerations are offered which, it is believed, if simple, are also original. The attempt has also been made to show clearly that the defects now most prominently apparent are, so to speak, accidental ones, arising out of the fortuitous manner in which our Indian Empire has grown up, and which only require the exercise of some administrative vigour to remove. When this is clearly apprehended, the path of reform is made easy.

The writer on Indian subjects is at every point met by the difficulty of adapting his treatment to the very

slight acquaintance of them possessed by most readers, without making it tedious to the better informed. But as for the distaste which it is usual to assert is felt for Indian affairs, the author can only say that, so far as personal experience is a guide, the interest expressed about them appears often to exceed the knowledge possessed on the subject. Nor is it surprising, in view of the rapid transition through which India has lately passed, that even those personally connected with the Indian service should have only the most indistinct notions as to the functions its members perform. The want thus felt it is hoped the present volume may supply.

With respect to the Indian Army, for example, it may be surprising to hear, after all the discussion of late years, that its real reform has yet to be undertaken; that what has been done so far is at best only a provisional arrangement, suited for a temporary emergency. Yet such is the conclusion which is inevitable from a consideration of the facts. And this is but one of the problems before Indian administrators, and which for their solution demand a closer knowledge of the subject than is usually to be found. Some of these questions will certainly before long engage public attention; and as a contribution towards the discussion which will then arise, it is hoped that these pages may not be without their value, especially as regards the important subject of the share to be granted to the natives of India in the administration of that country.

HARROW-ON-THE-HILL:
May, 1868.

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INDIAN POLITY.

BOOK I

CHAPTER I.

RISE AND DEVELOPMENT OF BRITISH RULE IN INDIA.

First settlement of English in India.

THE first possession acquired by the British in India was the little island of Bombay, which was ceded to King Charles the Second in 1661, as part of the marriage-dowry of the Infanta of Portugal. Eight years later the island was presented by him to the East India Company, which also owned at this time some other trading depots, or (as they were styled) factories, on the west coast of India. Similar depots were subsequently established at Madras, and other places on the east coast, and still later in Bengal. In course of time the factories at Bombay, Madras, and Calcutta became the three principal settlements, to which the others were placed in subordination.

Political state of India at the time.

These factories or settlements comprised, in the first instance, merely a few acres of ground occupied by the Company's warehouses, and the residences of their officers; and they were held only under favour of the native sovereign of the territories in which they were situated. At the time of the first occupation of Surat, on the west coast, and of the acquisition of Bombay, the Moghul dynasty was still in its full vigour, and shortly afterwards the Emperor of Delhi completed the con-

BOOK I.

quest of the Mahomedan kingdoms of the Deccan. This effected, he held a sway over all the states of India, more or less distinctly acknowledged at different times, as the tide of fortune ebbed and flowed, during the interminable wars subsequently waged between the Emperor or his lieutenants, and his refractory vassals in the Deccan. But on the death of Aurungzebe, in 1707, the Moghul Empire rapidly fell to pieces; and at the time when the English first began to take a share in Indian politics, it had become broken up into a number of separate kingdoms, possessed, some by provincial viceroys of the Moghul Emperor, who had established their own independence, and an hereditary monarchy; others by the descendants of the ancient Hindoo dynasties, which had never been thoroughly subdued, and rose to independence as soon as the strong hand of the early Moghul Emperors was withdrawn; while in other quarters adventurers had raised themselves from obscurity to a foremost place among the rulers of the country. In the state of constant war, of which almost all parts of India were now the scene, it is almost impossible to distinguish with precision the exact limits at that time of the different kingdoms and provinces throughout the country. These limits varied almost from day to day, and the vassal became the equal or the master of his lord, as circumstances or the fortune of war favoured his ambition. But about the year 1744, the following was the general political state of the country:—I. The Moghul Emperor still held, nominally, the direct government of the greater part of Hindostan, or Upper India, as well as the Punjab, a territory extending from the Indus to Behar; but the weakness of this remnant of the empire had been shown in the complete overthrow of the Moghul forces, and the capture of Delhi by Nadir Shah, five years before, by whose favour alone the Emperor had been restored to his throne. In succeeding years the Punjab was more than once invaded by the Afghans, under

The Emperor.

Abdalee Shah, then rapidly extending his newly-created empire, and was finally severed from the Moghul dominions in 1751.—II. Rohilcund, the country between the Upper Ganges and the Himalayas, had been converted into an independency under Ali Mahomed, an Afghan soldier of fortune.—III. The viceroyalty of Oudh had become an independent sovereignty, the ruler of which was, at this time, the principal support of the tottering Moghul throne. Four years later he was created Vizier of the Empire, and the title became hereditary in his family. —IV. The Viceroy or Soubahdar of the three provinces of Behar, Bengal, and Orissa, although nominally appointed to his government by the Emperor, had obtained possession of it only by force of arms, and had virtually converted it into an independent kingdom.—V. The Mahrattas, although their empire had not yet reached its farthest limits, and the course of its extension was about to sustain more than one severe check, had already spread themselves nearly across the peninsula, reaching from the west coast to the borders of Bengal, and from the source of the Toombuddra to the neighbourhood of Agra. The Mahrattas were, in fact, at this time by much the foremost power in India, and continued to occupy this position until their empire was broken up by Lord Wellesley, more than fifty years afterwards. The different military leaders of this nation had already converted the governments of the provinces confided to them into independencies, so that they virtually constituted a federation of states, bound to each other by ties of interest and nationality, rather than one kingdom. The principal of these states were in Berar, Guzerat, and the territories in Malwa, subject to Holkar and Scindia. The descendants of the founder of the Mahratta Empire had sunk into the position of the holder of mere titular rank, and the post of minister and virtual head of the empire had become hereditary in the succession

Rohilcund.

Oudh

Bengal.

The Mahrattas.

BOOK. I.

of Peishwas.—VI. The Deccan, or south country, is the name generally given to the part of India south of the Vindhya Mountains. The Soubahdar of this great tract had also become independent; the court title of Nizam-ul-Mulk, conferred on him by the Emperor, had become hereditary, and is the name by which the descendant of the first independent Soubahdar is still generally known.—VII. Subordinate to the Viceroy of the Deccan, but soon to become independent of him, was the Nawab or Deputy Governor of the Carnatic, the tract of country on the east coast which now forms the principal part of the Madras Presidency.—VIII. Various principalities in the south of the peninsula, nominally subject to the Soubahdar of the Deccan, but over which his authority had at no time been strongly exercised. Of these, the chief were Mysore, at that time governed by a Hindoo prince of ancient family, but soon to fall into the power of the Mahomedan adventurer, Hyder Ali; Tanjore, governed by a Mahratta prince of the house of Sevajee, the founder of the Mahratta Empire; and the Hindoo kingdom of Travancore, in the extreme south of the peninsula.—IX. The cluster of Rajpoot states, which make up the country known as Rajpootana. The Emperor had now quite lost his hold of this part of India; but the government had not been directly assumed by the Mahrattas, who were usually satisfied with levying contributions from the various states, leaving their princes more or less independent as regards their internal government, but devoid of political influence.

The Deccan.

Carnatic.

Southern India.

Rajpootana.

Form of government of early British settlements.

The affairs of the East India Company at the three settlements and depots subordinate to them, were administered, at this time, in each case by a President and Council, consisting of the senior agents (or, as they were called, merchants) of the Company, who received their instructions from the Court of Directors established in London. From this form of administration was derived the name of Presidency, applied to the territories

of which the President and Council, in course of time, obtained the government.

Hostilities between English and French settlers on Coromandel Coast.

At first, however, as has been stated, the British, as represented by the East India Company, held no Indian territory in their own right, with the exception of the island of Bombay; but they occupied their factories merely as tenants holding at pleasure of the native powers, and these settlements consisted of only a few acres of ground covered by their warehouses and residences. This status continued until the year 1746, up to which time the British were of no political importance in India. In this year, the war which had broken out between England and France extended to India, and the French settlers on the coast of the Carnatic, raising forces with a view to drive the English out of the country, the latter, in self-defence, were obliged to enlist troops and engage in active hostilities. The result of the conflict was, on the whole, very unfavourable to the English arms, and the settlement of Madras was taken almost at the commencement; but it was restored in 1749, on the news arriving in India of the Peace of Aix-la-Chapelle. The cessation of hostilities was however of but short duration. The death of the first Nizam, the Soubahdar of the Deccan, about this time, was the occasion for one of those struggles for the sovereignty of a vacant throne which form the ordinary events of Indian history, while simultaneously the subordinate kingdom of the Carnatic was also contended for by rival claimants. The English and French, espousing opposite sides, thereon entered actively into Indian politics, and at this time interest in the history of British India centres in the Madras Presidency, where these two nations, gradually ousting the native powers from the first rank in influence and importance, struggled against each other with varying success, and little intermission of hostilities, until the year 1756. Up to this time, the two nations were ostensibly at peace in the East as well

They engage in politics of Deccan.

BOOK I.

as in the West; but on the breaking out of the Seven Years' War the directing influence of Pitt was extended to the contest on the Coromandel Coast, and the English, whose efforts were now directed by Lawrence and Clive, rapidly gained the ascendancy. The power of the French in the Carnatic was finally broken, and their capital Pondicherry captured in 1761.

Overthrow of the French.

In 1756 occurred the tragedy of the Black Hole at Calcutta. This event led to the despatch of troops from Madras—where a considerable military establishment was now maintained—to succour the remnant of the Company's settlers in Bengal, who were hiding from the fury of the Nawab-Nazim, or Viceroy of that province, in the pestiferous swamps at the mouth of the Hooghly. The reinforcements were commanded by Clive, who had already attained a high military reputation. Clive landed in Bengal in February 1757, and on the 23rd June was fought the Battle of Plassey, which drove the Nawab from his throne, and made the English virtually masters of his dominions.

Conquest of Bengal.

Thus, at one step, the English establishments in Bengal attained to a greater importance than had been as yet acquired by those of the Madras Presidency, after many years of military operations on a considerable scale, while the political situation in the former country was already stronger and more secure. The territories garrisoned by the army which Clive hastened to construct in Bengal were incomparably richer than those occupied by the British in the South of India. The Nawab, whom they elevated to the throne in the place of Suraja-dowla, was a mere creature of the British; while, on the only quarter from which invasion was practicable —the north-west frontier—the Emperor was too busily engaged in maintaining an attempt to regain his authority in his own provinces, to concern himself with affairs in Bengal. In Madras, on the other hand, although the English army was the most powerful body afoot,

Comparative results of operations in Bengal and Carnatic.

their supremacy was never unquestioned, and was at times hotly contested. The Nawab of the Carnatic was indeed little more than a puppet in their hands; but the Nizam, though generally friendly, was up to this time entirely independent; and on the west, the rising power of Hyder Ali, who had now almost become master of Mysore, foreboded the coming struggle, which brought disaster to the British arms under the walls of Madras, and wellnigh extinguished their footing in Southern India.

Political status of English.

The political situation was however very similar in both places. The British, as the allies of the Nawab of the Carnatic, garrisoned his territories, the expenses of their troops being defrayed by him; the emoluments of the leading officials at the Presidency were mainly derived from the same source. In Bengal, also, the Company's troops occupied the Nawab-Nazim's territories, and fought his battles, funds being obtained in a similar way, by donations granted him as the price of sovereignty. In neither case did the Company, in the first instance, themselves govern the country, or draw its revenues directly. Their income was nominally derived from trade; the emoluments of their servants in India proceeded mainly from the same source, but were eked out by presents and bribes.

First acquisition of territory: the 24-Pergunnahs,

The first possession obtained in Bengal was the district lying south of Calcutta, termed the 24-Pergunnahs (or sub-districts), comprising about 1,200 square miles, which was assigned as an estate to the British, in 1757, by the Nawab whom they had placed on the throne of Bengal. The rent paid for the estate was presented by the Nawab to Clive, and by him eventually transferred to the Company, who thus became virtually proprietors as well as renters of the district.

followed by Burdwan, Midnapoor, and Chittagong.

In the year 1760, the Nawab being in arrears in payment of the annual stipend due to the Company—the price of their support—was compelled to cede the revenues of the three rich districts of Burd-

BOOK I.

wan, Midnapoor, and Chittagong, situated in Lower Bengal, the collection of which was undertaken by English officials. The Nawab was, however, still recognised as sovereign in these districts, as well as in the rest of the province, the Company holding their lands under him, and the civil jurisdiction of the country being exercised by his officers.

The Government of the Nawab of Bengal overthrown.

This state of things lasted for eight years after the Battle of Plassey, when an important change took place in the state of affairs. In 1760 the English had fallen out with Mir Jaffier, the Nawab whom they had set up after Plassey, and had deposed him, and placed his son-in-law, Mir Cossim, on the throne. Three years afterwards the disputes which had arisen between Mir Cossim and his supporters, almost from the date of his elevation, culminated in war, and the English replaced Mir Jaffier in the government. Mir Cossim invoked the aid of the Emperor, whose deputy he nominally was, and of the Nawab-Vizier of Oudh; but their united forces were finally completely overthrown by the English, and driven out of the province. On this the Emperor and the Nawab-Vizier abandoned the cause of Mir Cossim, and sued for peace. While negotiations were pending, Clive returned to Bengal, to assume the government a second time, and took charge of the negotiations, which ended in the grant (by the Emperor) to the English of the revenues of Bengal, Behar, and Orissa,* the provinces which together make up the country known as Bengal. Thus, at one stride, the English stepped into the position of a sovereign power in India; for although they nominally held the country as deputy of the Emperor, and in consideration of payment of an annual tribute, the

The Emperor confers the government of Bengal on the English.

* The province here referred to as Orissa comprehended at this time only a small part of the country properly known by that name. Cuttack and the hilly country to the north and west of it had passed into the hands of the Mahrattas some years before, and the Orissa, of which the dewanee was now transferred to the English, comprised little more than the present district of Midnapoor.

Emperor was, in fact, a suppliant for mercy. A few years later, the provinces remaining under his direct administration were taken possession of by the Nawab-Vizier of Oudh, and he himself became a prisoner in the hands of the Mahrattas, when the English ceased payment of the tribute. In 1765 Mir Jaffier died, and the English placed another son-in-law on the throne, who agreed, as the price of his elevation, to surrender all share of the government, receiving merely the rank of Nawab and a fixed annual stipend. The English had already undertaken the military defence of the country; they were therefore now its entire masters; but the government was not openly assumed and undertaken in their name until 1772, when the treasury was removed from Moorshedabad to Calcutta, and British officials were established throughout the different districts, to undertake the collection of the revenue, and to superintend the native officials in the business of administration. It may be added that this, the first, was also the most valuable acquisition ever made in India. The territory ceded in 1765 not only exceeds considerably, both in extent and population, each of the Presidencies of Madras and Bombay, as at present constituted: it contains the most industrious and peaceful races in India, and the most fruitful soil; while the network of navigable rivers with which it is intersected supplies the means for conducting an extensive commerce, which has only been provided a century later, in a partial and imperfect way, in other parts. It may be added, that were the rest of India to be abandoned, the British dominions in Bengal might still be retained with profit, and defended without difficulty.

Importance of the acquisition.

While this great development of British power in Bengal was taking place, the Presidency of Madras was also acquiring territorial possessions. In 1758, Clive detached a brigade of the newly-raised Bengal Army to the east coast, to aid the Madras Government in its

Territorial acquisitions in Carnatic:

BOOK I.

Masulipatam,

struggles with the French; and in the following year, the fort of Masulipatam was captured from that nation, when the district immediately adjacent to it was conferred by the Nizam on the English, in consideration of the aid given in maintaining his claim to the sovereignty of the Deccan. In 1765, the Nawab of the Carnatic granted to the Company the revenues of the country surrounding

district of Madras,

Madras, now known as the district of Chingleput, in return for services rendered; but the Presidency farmed the estate on lease to the Nawab himself, and did not enter on the direct management of it until fifteen years later.

Northern Circars.

In the same year when Clive obtained the grant of Bengal from the Emperor, he also secured the gift of the maritime province known as the Northern Circars—comprising the present five districts of Guntoor, Masulipatam, Rajahmundry, Vizagapatam, and Ganjam—which he made over to the President and Council of Madras to take possession of. The latter, however, about this time, disregarding the gift of the Emperor, applied for and obtained the same grant from the Nizam. The first Nizam having been the Emperor's lieutenant, and nominally holding his soubahdaree at the Emperor's pleasure, the assent of his descendant might in strictness have been deemed unnecessary; but all allegiance on the part of the sovereign of the Deccan had been now cast off, and the confused state of Indian politics at this period rendered it impossible to determine the conditions which constituted a sound title. Practically, the conveyance of territory depended solely on power and convenience, and the Madras authorities naturally looked to the ruler with whom they came directly in contact, and who possessed the means of active interference, for establishment of their claim. Treaties such as that made with the Emperor carried with them a certain degree of moral force; but it was more convenient to the President and Council to found their claim to these

Northern Circars on the gift of the Nizam, than on that of the Emperor. In effect, the result of their proceeding was a delay of a few months in the establishment of their title to this territory; but the Guntoor Circar, which had been granted by the Nizam to his brother for life, did not lapse to the English until some years later. CHAP.

Change in the form of Indian Government.

The next important change which bears on the subject of this work occurred in 1773. Up to this time, the administration of each settlement or Presidency had been of the same form, and was vested in a Council of the senior civil servants of the Company, varying in number, but usually from twelve to sixteen. The senior presided, and the proceedings were decided by a majority of votes, but as many of the councillors held also offices which required them to reside in the interior, the whole number was seldom present. So long as the ostensible business to be conducted consisted of trading operations, a Board composed of the traders—or merchants, as they were termed—in the service of the Company, was a sufficiently suitable agency for conducting that business; while, as the requirements needed were, mainly, probity and zeal in the interests of their masters—qualities which however were not always exhibited—seniority was as good a basis for selection as any other. But now that the Company had become a sovereign power, wielding a considerable army, and exercising extensive administrative functions, a Board of twelve or sixteen, the members of which were constantly changing, conducting all affairs in its collective capacity, was altogether an unsuitable instrument for performing the functions of government. But, as has usually happened throughout the history of the East India Company, the reform was not initiated by that body, or carried out by its own desires, but was forced on it by pressure from without. The enormous fortunes suddenly amassed by the Company's servants; the mutual recriminations between masters and servants, and between

Defects of the existing form.

BOOK I.

members of the service, as to the shares respectively taken in the nefarious practices on which this wealth was based, extending from the region of pamphleteers to the walls of Parliament; the conspicuous position occupied, from their wealth, by the Company's civil and military officers, on their return to England, and the parliamentary influence they were able to exert; the public excitement occasioned by Clive's astonishing career, and by the renown attending British conquests in the East;—all these circumstances combined to create an interest in Indian affairs, perhaps even greater than has ever been since exhibited, if we except the episode of Warren Hastings' trial. The result was that a laborious investigation on them was undertaken by a Select Committee of the House of Commons, whose report was speedily followed up by legislation.

Act of 1773.

Heretofore the legal status of the Company had been based on a Royal Charter granted in the year 1698, which gave them authority to exercise civil and criminal jurisdiction at their settlements, and to maintain troops for their defence. By an Act of Parliament passed in 1767, the territorial acquisitions lately obtained in India were vested in the Company for two years, and an Act of 1769 confirmed them in these possessions for a further space of five years, but neither Act altered in any way the mode of administration in force. The Act of 1773, which may be regarded as the basis of all subsequent legislation for determining the form of Indian Government, is the first Act which distinctly recognises the Company as fulfilling other functions than those of trade. It was, however, directed principally to the administration of Bengal. In lieu of the numerous Board, with its frequently-changing President, a Governor-General of Bengal was appointed, with a Council of four members, all of whom were named in the Act, which provided that they should not be liable to displacement for a term of five years. All future ap-

Governor-General and Council appointed for Bengal;

pointments of Governors-General and Councillors were vested in the Court of Directors, and were to be made for a similar term—the Court, however, being allowed a power of recall. The Presidency of Bengal was defined in the Act, to be 'all the territorial Acquisitions and Revenues [of the Company] in the kingdoms of Bengal, Behar, and Orissa,' and the powers of government in these were 'vested in the Governor-General and Council of the said Presidency, in like manner as the same now are, or at any time heretofore might have been, exercised by the President and Council or Select Committee in the said kingdoms.' Here, then, we have the first definition of a Presidency, in the new sense which now came to be applied to the name, while the fact is also for the first time distinctly recognised, that the British, as represented by the Company, were holding possession of 'kingdoms' in the East. The right of the Company to wage war had been previously so far admitted that they had been empowered by the Charter of 1698 to raise troops for the defence of their settlements, a power which was renewed by a Charter granted in 1753; while a King's regiment (the 39th Foot) had been sent to India in 1756. But this regiment, although it was an active agent, by its share in the Battle of Plassey, in the Company's conquest of Bengal, was despatched to India in order to oppose the French troops; and the 79th Foot, which shortly followed it, was sent out with the same object. That the Company should itself be competent to wage war, even with the French, was up to this time not specifically recognised by either Charter or Act of Parliament.

and vested with control over other Presidencies.

The Act of 1773 refers to the two other Presidencies only obliquely. It provided that the Governor-General and Council of Bengal, or the major part of them, should have the power of superintending and controlling the management and government of the Presidencies of

BOOK I.

Madras, Bombay [and Bencoolen*], so far that the President and Council of those Presidencies were not to make war or negotiate treaties 'without consent and approbation of the said Governor-General and Council first had and obtained,' except in case of imminent necessity, or of their having received special orders from the Court of Directors. They are also required 'constantly and diligently to transmit advice and intelligence to the Governor-General and Council of Bengal,' of 'all transactions and matters whatsoever relating to the government, revenues, or interest of the said United Company.' In other respects the administration of the two (now) minor Presidencies was not interfered with. They continued to be governed by a President and Council, usually composed of the senior civil servants, but the practice arose about this time for the Court to nominate and send the President out from England. The Governor-General appointed to Bengal under the Act of 1773 was Warren Hastings, a civil servant of the Company, and at the time President of the Council. The councillors nominated were:—Lieutenant-General Clavering and Colonel the Honourable George Monson, both officers of the Royal Army; Mr. Barwell, a Bengal civilian; and Mr. (afterwards Sir Philip) Francis, who had been originally a clerk in the English War Office.

Events of Hastings' administration.

Under the rule of Hastings and his Council, the Bengal Presidency was extended by the addition of the zemindaree (or estate), as it was termed, of Benares, comprising the present large and populous districts of Mirzapoor, Benares, and Ghazeepoor. The Rajah of Benares, whose father had obtained that title from the Emperor, was a vassal (if the term may be appropriately employed) of the Nawab of Oudh, whose dominions at this time extended far beyond the province now known under that name, and who had become quite independent of the Emperor, and had converted his viceroyalty

Annexation of Benares.

* A settlement in the island of Sumatra, ceded to the Dutch in 1825.

into an hereditary monarchy. The Rajah held his territories on condition of furnishing an annual tribute to the Nawab, and exercised full criminal and civil powers within them, but had no independent relations with other states. This was the arrangement established by Clive in 1765, and maintained until 1774, when in connection with engagements entered into between the Nawab and the British, the allegiance and tribute of the Rajah were transferred to the latter. In 1781, the Rajah having been driven into rebellion by the hard treatment to which he was exposed by the Governor-General, his territory was confiscated to the British Government. This was the only annexation made to the Bengal Presidency during Hastings' administration, but that period was distinguished by a great advance in the military and political position of the British. In virtue of an agreement made with the Nawab of Oudh, they undertook the protection of his territories against the Mahrattas; and the cantonments of the Bengal Army were advanced from Benares to Cawnpoor and Futtehghur, where a strong brigade was now permanently stationed. The year 1779 was made memorable by the despatch of a military force from the Bengal Army, across the peninsula, to aid the Bombay Presidency in its struggle with the Mahrattas—a remarkable feat when the circumstances of the times are considered. It was during Hastings' presidentship, but before his appointment as Governor-General, that the direct government of Bengal was assumed by the English.

Advance of British garrisons.

Bengal Army co-operates in Mahratta war.

The events of Hastings' stormy administration sufficiently laid bare the defects in the form of the Indian Government, as constituted by the Act of 1773. A government by a majority of a council, the members of which were constantly changing; in which the Governor-General was one day supreme, and another outvoted, and his most important measures thwarted and upset, could only work at all under an able and strong-willed

Defects in Act of 1773.

BOOK I.

President; with what difficulty it was carried on even with those conditions, the well-known history of that period plainly showed. Another very grave defect consisted in the ill-defined character of the relations subsisting between the Governments of the different Presidencies. The Act did, indeed, confer a controlling authority on the Governor-General and his Council in matters of peace and war, and it required the authorities of the other Presidencies to report to the Bengal Government all proceedings requiring to be made known. But it was left to them to determine what proceedings came under these conditions. So long as each Presidency was an isolated settlement, occupied only with local politics, the necessity for some central authority to control all diplomatic and military operations might not arise; but the Mahratta Empire, which had by this time reached its zenith, was now in direct contact with the territories possessed or defended by the Bombay and Bengal Governments, while it was in a position to assert a potent influence over the politics of Southern India. Accordingly, in the Mahratta War of 1775-82, already referred to, the evils of divided counsels became glaringly apparent. The Bombay Government first made a treaty, which the Bengal Government disallowed, and superseded by a separate agreement directly between themselves and the Mahrattas. Hardly had this been signed, when it was upset by the arrival of despatches from the Court of Directors, approving of the arrangements made by the Bombay Government; whereon the latter re-entered at once upon negotiations directly with the Mahratta authorities, in disregard of the instructions received from Bengal. And during the subsequent operations, the commander of the Bengal column employed at Bombay acted throughout in almost entire independence of the Government of that Presidency. Not the worst feature in the complications arising out of this conflict of authority, was the appearance of bad faith thus cast over the dealings of the English with the

Native powers. This, combined with the actual political immorality too often exhibited by the British at this time, placed their conduct in hardly a more favourable light than was presented by the native contemporary powers.

Act of 1784.

But notwithstanding that, during the previous ten years, the vices inherent in the constitution of the Indian Government had been thus brought prominently to notice, the next Parliamentary legislation on the subject was far from supplying an adequate remedy. Mr. Pitt's India Bill, passed in 1784, was principally directed to the provision of a machinery which should enable the Ministry to control the proceedings of the Company. Up to this time the Government had but imperfect means of access to the records of the Company's transactions. Investigation into their affairs could in practice only be conducted by appointing special commissions or parliamentary committees from time to time, and control would be necessarily limited to impeachment, or the negativing of their proceedings by special Acts of Parliament—measures, however, which the Government had not ever employed. The Bill of 1784 accordingly provided a remedy for these inconveniences, by establishing a Board of Commissioners, who formed a part of the Ministry, and who, besides being furnished with access to the whole records of the Company, were vested with a power of veto over all the proceedings of the Directors, and of framing orders to the authorities in India, which the Directors were bound to adopt unaltered, and to transmit as if emanating from themselves. By the establishment of this Board of Control, the Home Government of India nominally passed from the Company to the Crown. But the establishment of the Board was framed on a limited scale, while that of the Court of Directors continued undiminished. The Directors were still vested with the management of the Company's trade, with the patronage of first appoint-

Changes in form of Home Government.

BOOK I.

ments to the civil and military services, and the nomination of, and power of recalling, the different Governors and Commanders-in-Chief, while the initiation of all business virtually remained with them. And since in every department of affairs a large part of the authority must necessarily rest with the party which initiates proposals, because the mere power of veto and control cannot, in practice, be constantly applied, the change virtually effected by the Act was by no means so great as would appear to have been intended; at any rate, the amount of power which the Court continued to exercise was sufficient to justify in great measure the popular opinion, which always continued to identify them with the Home Government of India.

and of Indian Government.

With respect to the executive administration of India, the Act of 1784 reduced the number of councillors in Bengal to three, of whom one was to be the Commander-in-Chief of the Company's forces in India, and two members of the Bengal Civil Service. Similar Governments, consisting of a 'Governor or President' and three councillors, of whom one was to be the local Commander-in-Chief, were at the same time established for the 'Presidencies and Settlements' of Fort St. George and Bombay. The Commander-in-Chief was, in each case, to take rank next after the Governor-General or Governor, but was not to succeed to the higher office should a vacancy occur in it.* The nomination to all these appointments was vested in the Court of Directors. By the same Act the powers of the Bengal Government over the minor Presidencies were somewhat extended. The Governor-General and Council of Fort William were 'to control and direct the several Presidencies now or hereafter to be established in the East Indies, in all such

* This provision for placing the Commander-in-Chief of Bengal in the Council, and giving him precedence, was first made by an Act (21 George III. cap. 65) passed three years before; but in that his appointment to Council is made only permissive—in this one no option is left about his appointment.

points as relate to any transactions with the country powers, or to war or peace, or to the application of the revenues or forces of such Presidencies in time of war, or any such other points as shall from time to time be specially referred by the Court of Directors of the said Company to their superintendence and control;' whereas the Act of 1773 confined their power of interference to matters of war and negotiation with native states, and contained no reference to control over the war expenditure of the other Presidencies. Further, they were vested with power to suspend presidents and councillors of the other Presidencies disobeying them, and the Governments of the latter were required to send them all needful information on matters of import, and were prohibited from making war or treaties independently.

This power of suspension apparently gave the Bengal Government the complete control contemplated over the other (and now minor) Presidencies, but an obstacle remained which legislation could not overcome. So long as communication between the different capital towns continued to be tardy and infrequent—carried on by means either of a difficult and often dangerous journey, through roadless and robber-haunted tracts, or of a tedious and uncertain voyage—great independence of action of necessity remained with the different local authorities in every part of India. The Court of Directors possessed, by law, complete power of control over the proceedings of the Governor-General, yet they were practically quite powerless to enforce their own views on his policy; and almost every war and conquest made in India were carried out in opposition to, and often in direct defiance of, the orders from England.

Insufficiency of change.

Mr. Pitt's celebrated Bill further left unremedied the grave defect that the executive control of the Bengal Government was vested in the majority of a constantly-changing Council. Warren Hastings, who quitted India

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in the beginning of 1785, had succeeded, by force of character and ability, in eventually obtaining the supremacy, but not before the passions evoked in the council-chamber had vibrated throughout all parts of his administration; and, under the feeble rule of his successor, Mr. Macpherson (who owed his appointment to the accident of seniority), the evils of divided counsels became again apparent in the vacillating measures of the Government.

Appointment of Lord Cornwallis.

On the appointment, however, of Lord Cornwallis to the Governor-Generalship, in 1786, he made it a condition of accepting the post, that the Governor-General should be vested with the power of overriding his Council. This

Act of 1786.

provision was accordingly established by an Act of Parliament* passed for the purpose, which declares that this power may be exercised in extraordinary cases, making certain provisions for the previous interchange of written explanations between the different members of the Council. But it was left to the Governor-General to determine what matters should be deemed to be extraordinary, and the practical result of the measure, which has continued in force ever since, was to render the power of the Governor-General supreme. The councillors subsided from the position of active members of an executive board, into the subordinate one of witnessing and occasionally advising on the proceedings of their president, which state of things has remained in force till within the last few years. The same Act conferred similar powers on the presidents or governors at Madras and Bombay. It also provided that no person should be appointed to the Councils, other than the Commander-in-Chief, who had not been twelve years resident in India in the civil service.

War with Mysore.

Heretofore each Presidency had maintained diplomatic relations with the neighbouring native states—the authorities at Bombay negotiating with the Mahratta ministers at Poona, and those of Madras with the Nizam and the

* 26 George III. cap. 16.

states of Southern India; but from the date of Lord Cornwallis's arrival in the country, the management of all important diplomatic relations passed into the hands of the Governor-General, as was contemplated by the Acts of 1784 and 1786, and the British agents stationed at the Courts of Poona and Hyderabad henceforward received their instructions direct from the Bengal Government. The direction of military affairs soon followed the same course. The war with Tippoo, the ruler of Mysore, son of Hyder Ali, broke out in 1790, and was conducted in the first instance by the Government of Madras; but the Governor-General—who also held the commission of Commander-in-Chief in India, under the authority of the Act of Parliament of 1786—being dissatisfied with the manner in which the operations were carried on, and perceiving that it was impossible to control affairs properly from Calcutta, proceeded to Madras, and assumed charge himself of the military and diplomatic operations in that quarter. He landed at Madras at the end of the year, and the war, although chequered with some reverses at first, was brought to a successful conclusion in the early part of 1792, when Tippoo was compelled to sue for peace under the walls of Seringapatam. The territory which he was required to cede on this occasion comprised the present collectorates or districts of Malabar and Salem, and part of the district of Madura. Malabar was placed under the Bombay Presidency in the first instance, but was transferred to Madras in 1800; the other cessions were at once placed under the jurisdiction of the latter. A civil administration was organised for them, all of British officials.

The treaty with Tippoo was made in person by Lord Cornwallis. But although the Act of Parliament of 1786 gave him power to overrule his Council, it did not empower him to act without it. The Act throughout defines the Governor-General *and* Council to constitute the Government; consequently the proceedings conducted by

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Lord Cornwallis alone were, strictly speaking, invalid. An Act of Parliament was accordingly passed, in 1791,* confirming the special powers the Council had provisionally conferred on him to act without them, until three months after termination of the war. Later Acts have made this power general.

Administrative reforms of Lord Cornwallis.

Still more important than territorial acquisitions and political changes, were the administrative reforms which signalised the rule of Lord Cornwallis. The authority of the Nawab of Bengal had been avowedly replaced by that of the English in the year 1772; but the duties of the English district officials had as yet been mainly directed to the collection of the revenue, and the administration of civil and criminal justice continued to be conducted by native agency, imperfectly supervised by European officers. This native agency was at the time notoriously inefficient and corrupt, and Lord Cornwallis substituted for it a system of administration directly by European officers, of a kind which has ever since been maintained. The establishment of definitive laws and procedure, for the guidance of the courts of justice and the information of the people; the creation of those courts, with their defined graduated powers, and provisions for the conduct of appeals; the hierarchy of district and controlling officers—the magistrate, collector, and judge; and the superior boards for the general management of the revenues—all these were his creation; while the new organisation of the army, although not actually carried out until he had left the country, was the effect of his recommendations. Up to this time the military officers of the Company's army, besides being ineligible for promotion to high rank, and liable to constant supersession by those of the royal service, were otherwise on a most unsatisfactory footing, the promotion running in one unwieldy list for the whole of each army; while the

* 31 George III. cap. 40.

effect of the extreme disproportion between the number of the junior and senior grades was only mitigated by the high rate of mortality caused by the dissipated habits of the period. The best commentary on the measures introduced by Lord Cornwallis is to be found in their stability. The army organisation of 1796 lasted, without material change, until the abolition of the Company's system in 1861; while, as regards civil affairs, one country after another has been annexed, until the British territories in India comprise a vast empire; but the administrative system throughout the country, introduced in turn into each conquered province, has been based on the Cornwallis type, and until the time of Lord Canning every branch of the administration bore the impress of his polity.*

But the greatest of his reforms was that effected in the character of the Indian public service. Lord Cornwallis found it saturated with venality and corruption, and overlaid with a brutal coarseness and profligacy of manners. When he left India, a complete change had come over both the character and appearance of Indian society. In considering the disreputable state of morals, public and private, which Lord Cornwallis reformed, some allowance must, no doubt, be made for the generally lower standard of the eighteenth century, and still more for the temptations to which Indian officials were exposed, in the opportunities afforded them for amassing wealth by irregular means. But, depraved as were no doubt some of the public men of the day in Europe, there was no sort of comparison between them and their contemporaries in India; while, as regards temptation, so long as the criterion of mo-

* The distinct separation between the revenue and magisterial officers effected by Lord Cornwallis has, indeed, been since broken through. On the other hand, the junction of the offices of magistrate and judge, which was a principal feature of his system, has been reverted to, practically, as a result of the extensive judicial powers lately conferred on Deputy Commissioners of the non-regulation provinces.

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rality is determined by acts rather than motives, the earlier members of the Indian service, civil and military, must be pronounced to have been the most corrupt body of officials that ever brought disgrace on a civilised government. Yet, when Lord Cornwallis left India, the public service was already well advanced on the road to that reputation for integrity, which it has ever since maintained, standing henceforward second to none in the world. This great and sudden reform was effected partly by the example of his own pure character, but mainly by the establishment of a highly liberal system of remuneration, in lieu of the pittances in the way of pay heretofore allowed to all classes, and which afforded the recipients no alternative between poverty and dishonesty. This great measure, without which decent government of India was impossible, was carried out in the space of a few months. When we bear in mind the difficulty that is generally experienced of making, not only any organic change in a public service, but in effecting even the slight modifications of practice which the friction of time renders proper, we may estimate properly the force of character possessed by Lord Cornwallis, which enabled him to carry out his great measures against the traditionary prejudices of his masters. The fact seems to be that, in view of his simple-mindedness and unaffected manners, his great capacity and high administrative powers have scarcely been always sufficiently appreciated. The revenue settlement of Bengal established by him may have been faulty, viewed by present lights, but, considered with reference to the loose and crude system which it replaced, it bears a very different aspect; while, as to the general principle of the measure—namely, that the land-tax should be fixed in perpetuity—it seems sufficient to observe that, after an interval of seventy years, many statesmen are now, after protracted discussion and trial of other plans, slowly coming back to Lord Cornwallis's views. And if the Bengal

Regulations of 1793 err on the side of over-complexity, in prescribing too tedious and refined a procedure of the courts of law, their introduction constituted an improvement of exceeding value on the chaotic state of confusion, and the total absence of method and defined responsibility, which marked the course of Indian administration before his advent.

The weakest point of the polity established by Lord Cornwallis is probably to be found in the systematic exclusion which it enforced of the natives of the country from all share in the administration. Whether he considered it hopeless to attempt a purification of the native service, cannot be said; but while the hitherto insufficient emoluments of the European officials were enormously raised, in order (to use his own words) 'to put them beyond the reach of temptation,' the remedy adopted as regards the inefficiency of the natives was, as far as possible, to dispense with their services altogether; nor was any attempt made to elevate the condition of the classes retained for subordinate posts, either by improved pay or prospects of preferment.

This part of his measures has, unfortunately, been only too steadily persisted in; and it is not until within the last few years that the impolicy and injustice of thus excluding the natives of the country from all but the humblest share of the administration has at all forced itself on public notice. But it is easy to be wise after the event; nor is it reasonable to suppose that Cornwallis would have left this blot permanently to deface his measures, had he continued to preside over them. On the contrary, from the freedom he displayed in building up, it may fairly be presumed that he would have been the first to alter what further experience showed to be defective.

Renewal of Company's Charter. Act of 1793.

To resume our narrative. The Charter granted to the Company by the Act of 1773, expired in 1793, when it was renewed for another term of twenty years. The

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principal provisions of the Act of renewal* were :—I. One requiring the Governor-General, while absent from the Presidency (here used in the sense of the capital town), to appoint a Vice-President and Deputy-Governor of Fort William.—II. He was also authorised, should he find it expedient to visit another Presidency, to assume the government of it, the powers of the Governor being for the time suspended.—III. The Government is in this Act first styled Governor-General *in* Council, instead of Governor-General *and* Council, an alteration appropriately signifying the change which had actually occurred in the working of that government, under the operation of the Act of 1786.—IV. The appointment of the Commander-in-Chief at each Presidency to be a member of the Council was made permissive on the Court, instead of being obligatory.—V. The power of the Governments of Madras and Bombay to make Acts and Regulations for the territories subject to them respectively were distinctly referred to.—VI. Lastly, the authority of the Government of Bengal over the other Presidencies was defined in more decided and comprehensive terms than had been employed in any of the previous Acts.

Administration of Lord Wellesley.

The administration of Sir John Shore (afterwards Lord Teignmouth), who succeeded Lord Cornwallis, was marked by no change of importance ; and we may pass on to the eventful period of the Marquis Wellesley, under whose rule the political state of India underwent a complete change. The Act of Parliament of 1784 forbade the Indian Government from making war or even treaties with native powers, except for absolutely defensive purposes, without the sanction of the Home Government. It also forbade further annexations of territory, and the prohibition was repeated in the Act of 1793. With these conditions Lord Cornwallis, so far as was practicable, had complied. The war with Tippoo was forced upon him by

* 33 George III. cap. 52.

the aggressive conduct of that prince; and hostilities having become necessary, it was pushed on with a degree of vigour new to Southern India, and the cessions of territory obtained from Tippoo at the peace seemed necessary as a means of reducing his power for the future within safe limits. But, except in this case, Lord Cornwallis strove to maintain the balance of power, and always treated the Nizam and the Mahrattas as friendly allies, on a footing of equality with the English. The policy pursued by Lord Wellesley had, on the contrary, the distinct object of making the British authority paramount throughout the country, and reducing the different native states to a position of complete dependence on it. The first war undertaken may indeed possibly be deemed to have been forced on him by the hostile attitude assumed by Tippoo, whose power, though weakened by the previous contest, was not broken. This war, which took place in 1799, ended in the complete conquest of the kingdom of Mysore. Of this a part was made over to our ally, the Nizam; the province of Mysore, as defined at the present day, was restored to the family of the former Hindoo princes; the remainder was annexed to the British dominions. The territory so obtained comprised the present collectorates of Canara, on the west coast, Coimbatoor, and the Wynaad and Neilgherry Hills; while, a few months later, the Nizam made over a part of his share, the present districts of Bellary and Cuddapah, in payment for the subsidiary force, which ever since that time has maintained the authority of the Nizam in his kingdom.* The same year saw the annexation of the Hindoo principality of Tanjore, the most fertile tract in Southern India. Finally, in 1801, the Nawab of the Carnatic—the nominal rulers of which had been for many years in a position of entire dependence on the British, and whose revenues were mortgaged

Conquest and partition of Mysore.

Annexation of Tanjore.

Cession of Carnatic.

* This part of the country is still sometimes styled, by Madras officials, *The Ceded Districts*, a term which might, with equal propriety, be applied to the greater part of India.

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beyond redemption, to pay their military expenses—was required, as a condition of succeeding to the titular rank of Nawab, to resign his kingdom formally. This acquisition gave us the districts of Nellore, in the north; North and South Arcot, in the centre; Trichinopoly and Tinnevelly, in the south of the peninsula. Thus, in a few months, the Madras Presidency was developed from a few scattered districts into the great country now known by that name, comprising the whole of Southern India, with the exception of the province of Mysore and the small district of Coorg, which occupy the centre of the peninsula, and the Hindoo principalities of Travancore and Cochin at the extreme south. Since that time the only territorial changes in this presidency have been the addition of the district of Kurnool, in the north of the Presidency, annexed in 1841, on account of the treason of the ruling Nawab; and the transfer of the collectorate of North Canara to the Bombay Presidency, in 1862. The extent of the Madras Presidency was, therefore, nearly the same in the time of Lord Wellesley that it is now. The military establishment quartered in it was very much larger. It may be added that the Cornwallis system of Regulations was everywhere introduced, although a different settlement of the land revenue was made from that adopted in Bengal.

and formation of Madras Presidency.

Cession of part of Nawab of Oudh's dominions.

The changes effected in the Bengal Presidency, in consequence of Lord Wellesley's successful wars, although relatively not so great, since the acquisitions of Clive still remained the largest and most important ever effected, were even more extensive and valuable than those in the Madras Presidency. In 1801 the Nawab-Vizier of Oudh—whose engagements with the British, entered into for the purpose of obtaining protection from the Mahrattas, had resulted in the establishment of embarrassing and complicated relations with his protectors—was compelled to cede the greater part of his kingdom, consisting of the lower part of the Gangetic Doab, com-

prising the present districts of Allahabad, Futtehpoor, and Cawnpoor; the country north of the Ganges, now divided into the Azimghur and Goruckpoor districts; and the greater part of Rohilcund, consisting of the districts of Bareilly, Moradabad, Bijnour, Budaon, and Shahjehanpoor; a small portion of the province, less than an ordinary British district, being left to the Nawab of Rampoor. The district of Furruckabad, held by a chieftain subordinate to the Nawab of Oudh, was obtained shortly afterwards by cession of its ruler. The British territory in Northern India was thus bounded by the states of the great Mahratta Confederation, which at this time reached its greatest limits, the territory subject to it extending from Malabar to the Himalaya. Scindia, who was now the most powerful chief of the confederation, occupied the northern part of the empire, his territories bordering on the British frontier stations of Futtehghur and Moradabad. He had possession of Delhi and the Emperor's person, and a considerable tract of country to the west of that city was also under his authority.

Conquests from Mahrattas.

The great Mahratta War broke out in 1803. In the war with Tippoo of 1799, the operations had been dictated direct by Lord Wellesley, who proceeded to Madras for the purpose of being in immediate communication with the local Commander-in-Chief, and assumed charge for the time of the government of that presidency, in virtue of the authority conferred by the Act of 1793. On this occasion the Governor-General remained at Calcutta, but the operations of the armies of the three Presidencies which took a share in the war, were all controlled from that place, the commanding generals receiving their instructions direct from the Governor-General.

Of these armies, the two principal ones were—that under General Lake, the Commander-in-Chief in Bengal, which advanced from Cawnpoor and Futtehghur; and the other under General Wellesley, composed of Madras

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and Bombay troops, which operated from Poona as a base. The first of these armies drove the Mahrattas out of the Gangetic Doab; captured Delhi and Agra; and finally compelled Scindia to sue for peace, and to cede the whole of the territory occupied by him between the Ganges and Jumna, comprising the present districts of Etawa, Mynpoorie, Allyghur, Bolundshuhr, Meerut, Mozuffurnuggur, and Saharunpoor; the districts of Agra and Muttra, on the right bank of the Jumna; and the tract west of that river, known at that time as the Delhi territory, comprising the collectorates of Goorgaon, Delhi, Rohtuk, Hansi, Sirsa, and Paneeput. To these acquisitions must be added the collectorate of Banda, west of the Jumna, near its junction with the Ganges, and certain tracts in Bundelcund, ceded by the Peishwa, as will be noticed presently. These conquests, with the districts ceded by the Nawab of Oudh, in 1801, and the province of Benares, acquired in 1781, make up the great territory known by the now inappropriate title of the North-West Provinces, and which, next after Bengal, is the most populous and important of the great provinces of British India. This newly-acquired country was attached to the Presidency of Fort William, and administered by the Governor-General and Council of Bengal; but, some years later, a separate Board of Revenue and Courts of Civil and Criminal Appeal were established for it, and located at Allahabad. The Bengal Regulations were applied to these territories, and they were mapped out into districts, to which the usual staff of covenanted civil servants was eventually appointed.

Formation of N.W. Provinces.

Simultaneously with the operations under General Lake, an expedition was despatched from Lower Bengal into the province of Cuttack, then belonging to the Rajah of Berar, another chief of the Mahratta confederacy, who was finally obliged to cede it. This province was also added to the Bengal Presidency; and is the

Conquest of Cuttack.

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Madras Army, even including the increase of Europeans which has taken place lately, was then much larger than it is now. The civil service was also at this period largely extended, and the establishment of European covenanted servants of the Company now for the first time approached to its present strength. The vast uncovenanted establishment is a later growth.

Result of Lord Wellesley's administration.

The administration of Lord Wellesley may be regarded as the third great epoch in the formation of the British Indian Empire. The acquisition of Bengal, Behar, and Orissa was in a great measure accidental. The managers of the Company's affairs at that time, both in England and India, would have been quite satisfied with maintaining the state of things under which the Nawab had the appearance, and they the reality, of power. That he should be driven to try conclusions with them was quite unexpected, and Clive, opportunely returning to India, discerned the advantage of the acquisition offered. The era of Lord Cornwallis was marked chiefly by administrative reforms, the territorial extension effected by him having been comparatively small; while, as has been already observed, his foreign policy was directed to maintain the *status quo* he found existing in India, and especially to cultivate friendly relations with the Mahrattas. Lord Wellesley was the first to perceive that in India a political equilibrium was impossible; that peace was only to be ensured by establishing the preponderance of British power; and that the task of breaking down the Mahratta Confederacy was as practicable as, sooner or later, it must have been necessary to be undertaken. The result of the contest was never for a moment doubtful, and from this time the Company became beyond all question the paramount power in India, even the states which remained independent submitting to receive a supervising British agent at their courts, and a subsidiary garrison of British troops. Henceforward the only country which could measure

swords against it with any chance of success lay beyond the Sutlej; and from this time it may be said that the duties of territorial government took the place of buying and selling as the leading pursuit of the Company's servants in India.

His policy reversed by successors.

This policy was worked out by Lord Wellesley, not under the guidance of, but in direct opposition to, the wishes of his masters in England. The Directors, although they had from the first carried on their trade at a loss, still clung to trade as the only means of squaring their balance-sheet, and regarded with distrust every addition of territory, as productive of debt and financial embarrassment. Very much the same view appears to have been held by the English ministry; while the question has been much debated, whether Lord Wellesley's measures were not so far voluntary, rather than forced upon him by circumstances, as to constitute an infraction of the Acts of Parliament of 1784 and 1793, which enjoined a defensive and neutral policy, and distinctly prohibited territorial aggrandisement. However that may have been, the course pursued by Lord Wellesley, once entered on, could not be retraced; but the Court notwithstanding vainly desired to return to the former state of non-intervention and political equality with the Mahratta powers; and the influence of their sentiments so far affected the policy of Lord Wellesley's immediate successors, that the complete pacification of Central India, contemplated by him, was suspended on the eve of its accomplishment, and deferred till twelve years later.

Mahratta war of 1817–18.

The Mahratta war of 1817–18 was the fruit of the timid policy of non-intervention pursued from 1805 until that time, and was forced on Lord Hastings' administration by the state of lawlessness which had grown up in Central India. The war resulted in the complete pacification of India.

Extension of Bombay Presidency.

The Bombay Presidency may be considered to have been now formed, the territories on the western side of India, taken from the

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Peishwa, Scindia, and Holkar, being eventually placed under the Bombay Government, which province thus became one of the great territorial divisions of the country. The formal procedure of the law-courts prescribed by the Bombay Regulations, which closely resembled those of Bengal, were introduced gradually into these provinces; but a large tract of country in the centre of India, near the source of the Nerbudda, ceded after the war by the Mahratta government of Nagpoor, was taken under the direct control of the Governor-General in Council, and styled the 'Saugor and Nerbudda Territories.' It was at first placed in executive charge of a Political Agent with a staff of assistants, and subsequently of a Commissioner, with a Deputy Commissioner and assistants to each district, who were chiefly military officers. This province was not brought under the Bengal Regulations, but the officials were enjoined to conduct their procedure in accordance with the spirit of the Regulations, so far as they might be found suitable to the circumstances of the country and its backward state of civilisation. Other districts situated in Bengal had previously been exempted (by a special regulation) from the operation of regulation law, but this is the first case of what afterwards was frequently repeated, the deliberate formation of a non-regulation province.

Territory acquired in Central India,

In addition to these acquisitions, Lord Hastings' administration was also signalised by the gain of a tract of country in the Himalaya, from the Nepaulese, ceded in 1815, at the termination of the war with that people,—a country more extensive than productive, but precious to the English in India from its beauty and healthfulness—that portion of the Himalaya which reaches from the borders of the Jumna to the present frontiers of Nepaul, on the east extremity of Rohilcund. This territory was also placed under a special Commissioner, and was not brought under the operation of the Regulations.

and in Himalaya.

The passing of the Act of 1813 must now be recorded,

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Company's Charter renewed. Act of 1813.

which renewed the Company's Charter for a further term of twenty years. The only points noticeable in this Act,* for present purposes, are the clauses which virtually abolish the previous enactments, obliging all promotions of civilians to be made in order of seniority, and those which require the Court's nomination of Governors and Commanders-in-Chief to be confirmed by the Crown.

Burmese war of 1824: conquest of Assam, Arracan, and Tenasserim.

The next event to be recorded is the Burmese war of 1824, which resulted in the acquisition of the large country called Assam—the valley of the Brahmapootra on the north-east of Bengal; the maritime province of Arracan, at the head of the Bay of Bengal; and the province of Tenasserim, a narrow strip of land on the lower shore of that bay. Assam and Arracan were attached to the Bengal Presidency, so far that they were administered by the Governor-General in Council, and that the local officers were placed under the supervision of the Board of Revenue and Appellate Court at Calcutta; but since the people of these sparsely inhabited tracts differ in language and customs from the Bengalese, and those of Arracan in religion also, and the countries were not rich enough to bear the expense of the ordinary system of administration, they were not brought under the Regulations, but were provided each with a special staff of military officers. The Tenasserim province was dealt with in a similar way, but the garrison for it was furnished from the Madras Army.

Further renewal of Charter. Act of 1833.

In 1833 the Charter of the Company expired, which had been granted in 1813, and another Act of Parliament was passed, renewing it for a further term of twenty years. By this Act the Company's functions as traders were abolished, and several changes were made in the form of Government, of which the following are the most important:—

I. The fact that the Presidency of Fort William had far outgrown manageable dimensions, since the time of

* 53 George III. cap. 155.

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Subdivision of Bengal Presidency.

Lord Wellesley, was then for the first time recognised; and the Act provided for its division into two separate Presidencies—one to be styled the Presidency of Fort William in Bengal, the other the Presidency of Agra. A separate Governor was to be appointed for the latter, on the same footing as the Governors of Madras and Bombay.

Governor-General of Bengal becomes Governor-General of India.

II. Instead of, as heretofore, vesting the Governor-General in Council *of Bengal* with a power of general control over the Governments of the other Presidencies, the new Act provided, that 'The superintendence, direction, and control of the whole civil and military government of all the said territories and revenues in India shall be, and is hereby vested in a Governor-General and Councillors, to be styled the Governor-General *of India* in Council.' This Supreme Council was to consist of four ordinary members, of whom three were to be members of the Indian service; and the fourth, whose qualifications were not stated, but whose place the Ministry intended should be always filled by an English lawyer, was not to take a part in the executive business of government, but could sit and vote only at meetings for making laws and regulations. The Commander-in-Chief in India might be appointed an extraordinary member of Council as heretofore.

Provision for legislation;

III. The power of making laws and regulations for their Presidencies was withdrawn from the Governments of Madras and Bombay, and the duty of legislating for all India was placed on the Governor-General in Council, subject to the usual power of veto exercised by the Court of Directors. The Governor-General was given, as before, a casting-vote, and the power of overruling his Council on emergency, after exchanging minutes.

for moving Supreme Council from Calcutta.

IV. An important provision was for the first time introduced, that the Supreme Council might meet in any part of India: before this, proceedings held anywhere

but at Fort William would have been invalid. This power, however, was not made use of until the year 1863. When assembled within any of the Presidencies of Fort St. George, or Bombay, or Agra, the Governor of such Presidency was to act as a member of the Council, but his power as Governor was not to be suspended.

Governments of the four Presidencies.

V. The executive government of the four Presidencies of Fort William in Bengal, Fort St. George, Bombay, and Agra, was to be administered by a Governor and three Councillors, but the Governor-General of India was to be also Governor of the Presidency of Fort William. Thus two separate and distinct offices were placed on the Governor-General—the Government of India with the aid of one Council, and the Government of Bengal with the aid of another.

Appointment of councillors left optional.

VI. The Court of Directors was, however, empowered to suspend the appointment of Councils, or to reduce the number of Councillors in any of the four Presidencies. It therefore rested with them to determine whether the administration in each case should be vested in a Governor alone, or a Governor aided by a Council of not more than three members.

Increased control vested in Supreme Government.

VII. The control of the central government was asserted much more distinctly than in previous Acts. No Governor was to have power to create offices, or grant money, without the previous sanction of the Governor-General of India in Council, who was invested 'with full power and authority to superintend and control the Governors and Governors in Council of Fort William in Bengal, Fort St. George, Bombay, and Agra, in all points relating to the civil and military administration of the said Presidencies respectively.' The latter were bound to obey all orders received from this authority, and to furnish periodically copies of all their orders and proceedings, and all other information called for. It is by means of the returns thus periodically supplied from this

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time forward, that the Supreme Government is now able to exert an efficient control over Indian affairs.

Governor-General empowered to act without Council.

VIII. The Governor-General in Council could pass a law, from time to time, authorising the Governor-General, when visiting any part of India, to exercise all the powers possessed by the Council collectively, except that of making laws and regulations; the Governor-General, in such cases, was to nominate a member of the Council to be President of it during his absence, who would exercise his powers.

Special arrangement for Bengal Army and Civil Service.

IX. Although the Bengal Presidency was to be divided into two, the Bengal Army and Civil Service were not to be divided; and the Act recited that, for the purposes of the Mutiny Act, 'the Presidency of Fort William in Bengal shall be taken and deemed to comprise under and within it all the territories which, by or in virtue of this Act, shall be divided between the Presidencies of Fort William in Bengal and Agra respectively.'

Limits of Presidencies.

X. The Court of Directors was empowered to determine and declare the limits of each Presidency, and to alter the distribution of them from time to time, as might be necessary. Nevertheless, as will be seen hereafter, there are many parts of British India which have never been declared to belong to any presidency, and cannot be brought under the definition of one.

Modifications proposed in Bill.

The passing of this Act was vigorously opposed by the Court, mainly because it abolished the Company's power to trade; the idea being still tenaciously clung to, that trade was a source of benefit to the Company, and some of the most experienced members of the Court being strongly of opinion, that to throw it open to public enterprise would be injurious to the people of India—an opinion which carried more weight before than after the event. But, as regards the change in the form of Indian Governments, there were many who thought that the Bill of 1833 did not go far enough. The Governor-General of that period, Lord William Bentinck, recorded

his opinion that 'the local details pressing upon the time of the Supreme Government utterly preclude the performance of the higher and more important functions of its office,' and that the Governor-General and his Council should be relieved from the executive administration of any one presidency—also that the Commander-in-Chief should be relieved from the direct charge of any particular army. Sir Charles (afterwards Lord) Metcalfe, then a member of the Supreme Council, expressed the same opinion. Mr. Charles Grant (Lord Glenelg), the President of the Board of Control, drafted the scheme of his Bill very much according to Lord W. Bentinck's views, except that the Governor-General was still to be Governor of Bengal. It was also intended that Councils should be abolished at the minor Presidencies; but at the recommendation of the Court their retention was left optional, as above stated. Whilst the Bill was passing through Committee, it was proposed that the Governor-General should have two Lieutenant-Governors under him for the Bengal Presidency, and another amendment was moved that the Governor-General should be relieved from the charge of any particular Presidency. But these amendments were lost.

Modifications carried out afterwards.

The Bill was passed on the 20th August, 1833. But the fourth Presidency of Agra was never established, the proposal of the Court of Directors, that a Lieutenant-Governor should be appointed to the Agra* division of the Bengal Presidency, being accepted by the Board of Control, and legalised by an Act passed in 1835.† The country placed under the new Lieutenant-Governor was styled the North-Western Provinces, an infelicitous term, always geographically incorrect, and rendered still more

* The Appellate Courts and Board of Revenue of the Upper Provinces were moved from Allahabad to Agra about this time. The mutiny brought to light the political disadvantages of making Agra the capital, and Allahabad has again been made the seat of government of the North-West Provinces.

† 5 & 6 William IV. cap. 52.

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inappropriate by the subsequent conquest of the Punjab. The Councils at Madras and Bombay were retained; no Council was appointed for the Presidency of Fort William, the government of which was henceforward conducted by the Governor-General alone, with an entirely separate establishment from that attached to the Government of India.

Considering the state of India at this time—that the three Presidencies were practically quite isolated, with most imperfect and tardy means of communication with each other—it will probably be considered that the plan suggested by Lord William Bentinck and Sir Charles Metcalfe, of having a central government merely for supervising the other governments, then only four in number, would have been premature. The state of Central India at that time did not admit of a central government being placed there; while to have conducted the whole business arising between India and England, by means of a central government, situated there or anywhere else (as seems to have been contemplated), would have been productive of extreme delay. It must have been then far simpler and more convenient for the Governments of Madras and Bombay to correspond for the most part directly with England; while, on the other hand, the amount of business coming up in those days from the four subordinate governments, would probably not have been sufficient fully to employ the central authority. But, as will be seen presently, the conditions of the case are now entirely altered. The difficulty of communication has disappeared; the number of separate administrations under the Supreme Government has been augmented from four to ten; the business of government in every department has enormously increased; while various causes, to be stated hereafter, combine to remove the differences of regulation and system which at that time militated against a general fusion of Indian administration under one head.

The further additions made to the British Empire in India, from 1833 to the present time, may now be briefly stated.

Further additions to British possessions.

In 1834 the small mountainous principality of Coorg, in Southern India, was annexed. The Commissioner who administered the affairs of the Rajah of Mysore, the western part of which province adjoins it, was made Commissioner of Coorg also.

Coorg;

So early as 1809 the British Government, under the administration of Lord Minto, had assumed the protection of the numerous petty Sikh states lying between the Jumna and the Sutlej, and brigades had been quartered at Loodiana and Ferozepoor, on the left bank of the latter river, to protect them against the incursions of Runjeet Singh, the ruler of the Punjab. On the failure of heirs to some of these chieftains, their possessions, on their death, were deemed to have lapsed to the British Government, which thus became possessed, between the years 1836 and 1843, of the country now known as the Cis-Sutlej States, comprising the districts of Thanesur, Umballa, Loodiana, and Ferozepoor. This territory was not attached to any presidency, but was placed under the Governor-General's Agent, who had charge of the diplomatic relations on this frontier, and the superintendence of the remaining protected chiefs.

territory on the Sutlej;

In 1841 the Nawab of Kurnool, in the north of the Madras Presidency, was discovered to be engaged in a plot for the subversion of our power. He was accordingly deposed, and Kurnool now forms one of the districts of the Madras Presidency.

Kurnool;

In 1843 Sind was annexed. The non-regulation system was adopted for this province, which was eventually placed under the orders of the Government of Bombay.

Sind.

In 1845 the war with the Sikhs broke out. At its conclusion the British Government occupied the Punjab, and appointed a Council of Regency, with a British

Sikh war.

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officer, styled Resident, at the head, to conduct the government of the country on behalf of the rajah, a minor.

Annexation of Trans-Sutlej territory.

That part of the Punjab between the Sutlej and Beas, a tract of very fine country called the Jullundur Doab, or Trans-Sutlej States, was however annexed, and placed in charge of a Commissioner, under the orders of the Resident at Lahore.

Annexation of Punjab.

In 1848 the Punjab broke out into insurrection; the result of the war which followed was the annexation of the whole country. The province was not attached to any Presidency, but the direct control was assumed by the Governor-General in Council, the executive government being vested at first in a Board of Administration of three members, and afterwards in a Chief Commissioner. The non-regulation system was adopted, with a mixed administrative staff of civilians and military officers.

Second Burmese war. Cession of Pegu.

In 1852 occurred the second Burmese war, which was terminated by the cession of Pegu. Here also the non-regulation system was adopted, the province being put in charge of a Commissioner, who was placed directly under the orders of the Government of India: the garrison of the province was, however, supplied by the Madras Army.

Annexation of Nagpoor.

In 1854 the Rajah of Nagpoor died, without heirs, and his kingdom was deemed to have lapsed to the dominant power. The non-regulation system was introduced here also, under a Commissioner and staff of civilians and military men chosen from the three Presidencies. Nagpoor had been already for many years garrisoned by Madras troops.

Further renewal of Charter. Act of 1853.

In 1853 the Charter of the Company came again to an end. In anticipation of this event, Select Committees of Enquiry were appointed, in the previous year, from both Houses of Parliament, who examined a great number of witnesses, and collected an immense amount of evidence on the state of India. No detailed reports were drawn up by the Committees, but the evidence taken sufficiently

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indicated the nature of some of the changes which were desirable. Strong testimony was borne to the inconvenience and injustice to the people of Bengal, of the arrangement which placed that province directly under the Governor-General. It was pointed out, that not only did the vastly increased labour imposed on that personage of late years, in his capacity as head of the Supreme Government—arising out of the large additions of territory acquired, and the increased business carried on in every department of the administration—necessarily almost wholly engross his time, or, at any rate, leave not leisure for adequate supervision of the separate affairs of this province; a still greater defect was the constant change of Bengal administrations. The necessity for their presence near the army and the frontier, during the wars which had prevailed, almost without intermission, since 1838, had made the Governors-General, from the time of Lord Auckland, almost strangers to their capital; at most they had paid brief and unfrequent visits to it. During their absence the senior Member of Council acted as Governor of Bengal, under the provision of the Act of Parliament; and as the same person seldom remained senior Member of Council for many months, and the acting Governor was, moreover, displaced whenever the Governor-General returned to Calcutta, the province of Bengal was thus constantly subject to a change of rulers; and the government virtually fell into the hands of the Secretary, who might be an officer of small experience, or at any rate was wholly irresponsible. The notoriously backward and neglected state of Bengal was pointed to, particularly as regards public works; and the inefficient state of the police, as evidenced by the prevalence of gang robberies and other crimes, as a necessary consequence of this defective superintendence. On the other hand, the marks of progress and vigorous administration apparent in the North-Western Provinces were cited as proof of

Lieut-Governor appointed for Bengal.

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the advantages of a system of undivided responsibility, as opposed to a government by a Council or Board, and a similar plan was recommended for the Lower Provinces. Whether this superiority was due to the particular form of government supplied to the former, or to its being supplied with a responsible government of any form, will be a matter for notice hereafter: it will suffice to observe here, that the case for a change of some sort was clearly made out, and the Act of 1853 provided that the Court of Directors might either appoint a Governor to Bengal, or authorise the Governor-General in Council to appoint any servant of the Company of ten years' service in India to be Lieutenant-Governor 'of such part of the territories under the Presidency of Fort William, in Bengal, as may not be under the Lieutenant-Governor of the North-Western Provinces.' A Lieutenant-Governor was accordingly appointed, whose seat of government was fixed at Calcutta.

Legislative Council established.

Another important change effected by the Act was the establishment of a Legislative Council for India. By the Act of 1833, all laws and regulations were enacted by the Supreme Council, consisting of the Governor-General and three members, besides the Commander-in-Chief, and one additional member for legislative business, not being a servant of the Company, who had always been an English barrister. Its proceedings were conducted in private, the only publicity attending them being that the drafts of proposed Acts were usually published in the official Gazette some weeks before they became law. A Legislative Council, on a somewhat wider basis, was now established, consisting, in addition to the members of the Supreme Executive Council, as before, of four members, nominated by the Governors of Madras and Bombay, and Lieutenant-Governors of Bengal and North-Western Provinces, respectively, besides the Chief Justice and one Puisne Judge of the Supreme Court at Calcutta. Two additional members might also be nominated from the

Indian Service by the Governor-General. The Legislative Council, which would thus consist of fourteen members, was established in a separate building from that in which the Supreme Executive Council held its sittings. Under the standing orders laid down, the proceedings were conducted on the plan common to deliberative assemblies generally, and the public were admitted to its discussions.

Annexation of Oudh.

In 1856 the kingdom of Oudh was annexed to the British dominions. The Punjab system of administration was introduced into this province, with a Chief Commissioner at the head, and a mixed staff of officials.

Recent administrative changes.

This has been the last acquisition to the British Empire in India of sufficient importance to be recorded here. But the following important administrative changes have been made since the great events of 1857 :—

Transfer of Delhi Territory to Punjab.

I. The country formerly known as the Delhi Territory, up to the right bank of the Jumna, and including the city of Delhi and adjacent districts, was transferred from the North-Western Provinces to the Punjab, and the administration of that province was transferred by the Government of India to a Lieutenant-Governor, the Chief Commissioner being elevated to that rank.*

Formation of Central Provinces;

II. A new territorial division was created in 1861, termed the Central Provinces, by detaching the country known as the Saugor and Nerbudda Territories from the Government of the North-Western Provinces, and uniting it to the province of Nagpoor, the Commissioner of which became Chief Commissioner of the amalgamated province.

of British Burmah.

III. In the same year, the territories which had been ceded by the Court of Ava in 1825 and 1853, viz. Arracan, attached to the Government of Bengal; the province of Pegu, and the long maritime tract called the Tenasserim and Martaban provinces—heretofore under

* The first Chief Commissioner and first Lieutenant-Governor of the Punjab was the present Lord Lawrence, late Governor-General of India.

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separate Commissioners, directly subordinate to the Government of India—all inhabited by Buddhists, speaking the Burmese language, were amalgamated under one administration, conducted by a Chief Commissioner.

Administration formed for Berar.

IV. In 1853 the Nizam ceded the province of Berar in perpetuity, in payment for the expense of the force maintained for his support, known as the Hyderabad Contingent, the contributions due to the British Government for keeping up which had fallen greatly into arrears. In 1860 the boundaries of the province underwent some alteration. Berar has been formed into two divisions, each under a Commissioner, with the usual mixed staff of civil and military officers. This country, however, is held only in trust for the Nizam. The revenues and expenditure are accounted for separately from those of British India, and any surplus, after defraying all expenditure, including the cost of the contingent, is paid over to the Nizam. The Commissioners are under the immediate orders of the Resident at Hyderabad, who is thus virtually governor of the province.

Straits Settlements transferred to Colonial Office.

V. The settlements of Penang, Malacca, and Singapoor, in the Malayan Archipelago—which, since their acquisition in the last century, had been deemed to be a part of British India, and garrisoned by Madras troops, with a Governor appointed by and reporting to the Governor-General in Council—were transferred, in 1866, to the Colonial Office, the Indian officials and troops being withdrawn.

There remains to notice, briefly, the following recent administrative changes:—

Transfer of government from Company to Crown. Act of 1858.

I. In 1858, the government of India was transferred from the Company to the Crown.* In place of the Court of Directors and the Board of Control, the supervision of Indian affairs was vested in a Secretary of State, with a Council of fifteen members, who hold office during good behaviour—eight to be appointed by the Secretary of

* Act 21 & 22 Vict. cap. 106.

State, and seven by the majority of the Council; none of the Councillors to sit in Parliament. This constitution was somewhat modified by an Act passed in 1869,* under which all future appointments of Councillors are to be made by the Secretary of State.

The Supreme Council in India became the Council of the Governor-General. Appointments of Governor-General, fourth ordinary Member of Council, and Governors of Presidencies, were to be made by Her Majesty, by warrant under her royal sign-manual; those of ordinary Members of Council and of Commanders-in-Chief by the Secretary of State in Council, with the concurrence of a majority of members present at a meeting;† of Lieutenant-Governors by the Governor-General subject to the approval of Her Majesty. The Secretary of State was vested with the power of acting without the concurrence of his Council, except in matters involving an expenditure of public money. From this time the dignity and title of Viceroy have been conferred on the Governor-General.

Legislation of 1861. Indian Councils Act.

II. In 1861 was passed the Indian Councils Act, containing the following provisions. Another member was added to the Governor-General's Council. Until 1859, the fourth ordinary member had always been a barrister; but in that year, the financial difficulties of the Indian Government led to the vacancy being filled up by the appointment of the well-known financier, the late Mr. James Wilson, then Secretary to the Treasury; and on his death, in the following year, Mr. S. Laing, who had succeeded him at the Treasury, was appointed in his place. This arrangement left the Council without a legal member, and it was therefore provided, in 1861, that two ordinary members should be appointed under warrant by Her Majesty, who need not belong to the Indian service,

* Act 32 & 33 Vict. cap. 97.

† By the Act of 1869 referred to above, all members of Council are now appointed by Her Majesty, by warrant under her royal sign-manual.

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one of whom was to be a barrister of ten years' standing. At the same time, all the ordinary members were placed on an equal footing, and henceforward took precedence in order of appointment. The Council of the Governor-General, therefore, now consists of five members—besides the Commander-in-Chief, who may be appointed an extraordinary member—of whom three must be members of the Indian service. Of these three, it has always been customary to appoint one from the Indian Army.

Heretofore, the senior ordinary Member of Council succeeded by law to the office of Governor-General, should it be vacated, pending the arrival of a successor. Since, under the arrangement above described, the senior member might be a person appointed solely for legal or financial requirements, without any experience in Indian administration, it was now provided that such vacancy should in future be filled by the Governor of Madras or Bombay, whichever should have been first appointed. It was in virtue of this clause that, on the sudden death of Lord Elgin in 1863, Sir William Denison, Governor of Madras, succeeded to the office of Governor-General pending the arrival of Sir John Lawrence.

The Legislative Council also underwent alteration. It now consists of twelve members, besides those of the Executive Council, of whom one-half must be non-official persons, and some have always been natives of rank. The remainder are usually members of the Civil Service, drawn during the session from different parts of India. Similar Legislative Councils have been established for the provinces of Madras, Bombay, and Bengal, and the Government of India is empowered to establish similar Councils, whenever it shall think fit, in the North-Western Provinces and Punjab.

Civil Service Act.

III. An important Act, termed the Civil Service Act, was passed in 1861, to which reference will be made hereafter.

IV. In the same year were amalgamated the Supreme

Establishment of high courts.

or Crown Courts at each Presidency town,* which heretofore had exercised a jurisdiction of rule independent of the Indian Government, with the Indian Appellate Courts of Suddur Adawlut. The new tribunals were styled High Courts, and are composed each of a bench of barrister and civilian judges, or native pleaders of those courts, appointed by the Crown.

Provinces of British India recapitulated.

Having thus followed the course of the development of English rule throughout the country, it may now be useful to survey briefly the territorial divisions into which British India has for administrative purposes been divided.

Bengal.

I. The great Presidency of Fort William, in Bengal, has, since 1833, been separated into two divisions. Of these, the lower or south-eastern portion, comprising the original conquest of Clive with subsequent additions in the same quarter, is under the administration of a functionary styled the Lieutenant-Governor of Bengal. This great country, which is considerably larger than France, somewhat larger than Austria, and contains a larger population than either, may be considered as made up of two distinct elements, each of almost exactly the same magnitude. The one consists of the well-cultivated and thickly-populated districts of the basin of the Ganges, which constitute Behar and Bengal proper, with the maritime districts of Orissa, all of which are subject to the general regulations and administrative system of the Indian Government. The other is made up of various outlying provinces, inhabited by primitive and less civilised races, and which are governed in a more or less informal and special manner. Of these non-regulation provinces, as they are termed, the principal are: 1. The great country of Assam, with the adjacent parts drained by

* The Supreme Court of Fort William was established in 1773; that of Madras in 1800; that of Bombay in 1823.

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the Brahmapootra and its tributaries, altogether as large as England with Wales: 2. The hill tracts of Orissa: 3. The extensive territory south of Behar, which is still inappropriately termed the South-West Frontier. This tract, which has an area not far short of that of England, forms the eastern shoulder of the great table-land of Central India, and is for the most part a wild and mountainous country, clothed with forests, and inhabited chiefly by the aboriginal races of India. Many parts of it have been scarcely ever visited by Europeans, and are tenanted by little else than the tiger and its prey.

The total population of the country under the Government of Bengal, is estimated to be not far short of forty millions; but, as will be readily understood, the non-regulation portion of the country contains but a small proportion of this total, and contributes scarcely any appreciable share of the general revenue. The population of these wild tracts is assumed to be about four millions; but this is a mere guess, and there is reason to suppose that the actual number is in excess of this figure. The other portion has a population of nearly 300 to the square mile, being considerably in excess of the average population of Great Britain and Ireland. Bengal is divided into eleven commissionerships or divisions, and fifty-four districts, of which thirty-five belong to the regulation portion of the province.

N. W. Provinces.

II. The other division of the Presidency of Fort William, known as the North-West Provinces, is about two-thirds the extent of the regulation provinces of Bengal, and nearly equal in area to Great Britain. It has the largest population in proportion to its size of any of the great territorial divisions of India, there being an average of 361 persons to the square mile, which exceeds that of any country in Europe, except Belgium. This province is divided into thirty-five districts, of which twenty-nine are grouped into six commissionerships, and the rest are non-regulation.

III. The territory under the Governor and Council of Madras is, in extent, about one-half of that under the Lieutenant-Governor of Bengal, and a little larger than Great Britain with Ireland, but is much less densely populated than those countries, having an average of 180 persons to the square mile, or nearly the same as in France. These Madras territories, it should be added, which are not subject to the action of the perpetual settlement, produce the largest land revenue of any province in India. They are divided into nineteen districts. Madras.

IV. The Bombay Presidency is about three-fourths of, or including the cultivated portions of Sind, nearly equal in extent to the North-Western Provinces. If the uncultivated and uninhabited tracts on the borders of Sind be added, the total area nominally subordinate to the Governor and Council of Bombay slightly exceeds the Madras Presidency. The population is comparatively sparse, being, in the regulation districts of the Presidency proper, at the rate of about 170 persons to the square mile; but the land revenue contributed per head is higher here than in any other part of India. The British territories of this presidency are very much mixed up with those of the various native States which are superintended by the government of Bombay. The province is divided into nineteen districts, of which five are in Sind. Bombay.

V. The Punjab, under a Lieutenant-Governor, has the same extent, and about two-thirds as great a population as the kingdom of Italy. The upper part is well cultivated and thickly peopled; towards the south, where it joins Sind and the great Indian desert, the soil, barren from the want of rain, supports only a scanty population. The Punjab is divided into thirty-two districts, grouped under ten commissioners. Punjab.

VI. Oudh, administered by a chief Commissioner under the order of the government of India. About equal in extent to Belgium and Holland together, and Oudh.

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almost as densely populated. It forms four commissionerships and twelve districts.

Central Provinces.

VII. The Central Provinces, also under a Chief Commissioner. Nearly as large as the Madras Presidency, but containing a large proportion of uncultivated and forest land, sparsely inhabited by aboriginal tribes. There are here nineteen districts organised in four divisions.

Burmah.

VIII. Burmah, organised in three divisions and thirteen districts, and administered by a Chief Commissioner. Nearly three times as large as Scotland, but with a smaller population. A large part of this province consists of uninhabited forest land.

Berar.

IX. Berar, administered by the Resident at the Nizam's Court, under the orders of the Government of India. Somewhat larger than Denmark, with about the same amount of population. It has been formed into five districts under two commissioners.

Mysore.

X. To the foregoing may be considered as added, for administrative purposes, the province of Mysore, forming that portion of the kingdom of Tippoo which, on its conquest, was made over to the descendant of the ancient Hindoo rulers, then a child. The government was administered in the first instance by a commission of British officials, until 1811, when the raja having attained his majority, the government was transferred to him. In 1832 the management of the country was resumed in consequence of the raja's misrule, and it has since then been administered in his name by an English Chief Commissioner, who is directly under the orders of the Government of India. It has lately been determined to restore Mysore to the raja's adopted son, when he shall attain his majority; in the meantime, from an administrative point of view, the country may be regarded as one of the British provinces. Mysore, which is a tableland elevated from three to six thousand feet above the level of the sea, is about as large as Bavaria, and nearly as populous. It is divided into three divisions and

eight districts. The small mountainous province of Coorg is attached to the administration of Mysore.

Native States.

There remains to notice the different native States which still comprise a large proportion of the whole peninsula of India. All these are subject to the control of the paramount power, which is exercised in a greater or less degree, according to the nature of the treaty subsisting with each State. Generally speaking, they have unrestricted civil and criminal jurisdiction, raise their own revenues, and in some cases levy customs on the frontier of their territories; and some of them maintain a considerable military force, more or less disciplined and equipped. But they are not required to take any share in the general defence of the country, although some of them make a contribution for this purpose to the imperial exchequer; they have no political relations with other States, and in most cases their territories are occupied by garrisons of British troops, European and native. They are thus very much in the position of the mediatized principalities of Germany. Of these States the most important is the dominion of the Nizam, the successor of the Mahomedan viceroy of the Deccan.

Hyderabad.

A large British garrison is stationed at Hyderabad, the capital of the country, termed a subsidiary force, in consideration of which certain territory was permanently ceded by the Nizam in 1801;* this force, it may be explained, being additional to that known as the Hyderabad Contingent, which is nominally the Nizam's own army. The Nizam's territory is larger than Great Britain, but a considerable part of it is waste or forest land, and the population at a rough guess is estimated not to exceed eleven millions. The post of Resident at the Court of Hyderabad is deemed to be the most important administrative office in India, save that of councillor or governor.

Rajpootana.

Next in importance to the Deccan is the group of

* See page 27.

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native States, principally rajpoot, which under the name of Rajpootana occupies such a conspicuous place on the map of India. This great tract, which extends about 460 miles from north to south, and has an extreme breadth of 530 miles, comprises eighteen separate States, which since the final overthrow of the Mahratta power in 1817 have been under the protection of the British Government. The smallest of these States is smaller than an English county; the largest, Marwar, has a greater extent than Ireland, but bordering on the Indian desert, contains a large proportion of sterile land, and the total population of the State is roughly estimated not to exceed a million and a half. The total population of Rajpootana is put down at eight and a half millions; the aggregate military forces maintained by the States are about seventy thousand men. The affairs of Rajpootana are superintended by an official, styled Agent to the Governor-General, who resides at Ajmere, a small British district situated in the centre of the country, and who is aided by a staff of assistants and political agents. One of these agents is accredited to each of the larger States, while a single officer supervises a cluster of the smaller ones. Rajpootana is garrisoned by British brigades stationed at Nusseerabad and Neemuch, and the main lines of road throughout the country are constructed and maintained by British officials at the charge of the imperial treasury.

States in Central India.

Another very important group of native States is that supervised by the Agent to the Governor-General for Central India, which includes the native portion of the great table-land of Malwa, or Central India, and a number of States in Bundelcund. Some of these are petty chieftainships of less than a dozen square miles, the owners of which are, however, independent of all authority, save that of the British Government; but the Agency also includes the Mahratta principalities of

Holkar and Sindia, once the most powerful chiefs in India; and the dominions still in the possession of the latter form a country larger than Ireland. The table-land of Central India contains some of the finest parts of the continent, but it has been the scene of war and rapine from the first decline of the Mahomedan empire, a hundred and fifty years ago, until comparatively recent times; and the territories under the Central India agency, nearly 80,000 square miles, are estimated to contain not more than eight millions of persons. Central India is occupied by strong brigades of British troops, stationed at Mhow and Gwalior. Bundelcund also is garrisoned in the same way.

States under governments of Madras,

The ancient Hindoo principality of Travancore, in the extreme south of the peninsula, which is in size about as large as an average district, and the still smaller State of Cochin, have both survived all the revolutions brought about by successive invasions of India, and the anarchy which followed the dissolution of Mahomedan power. They are supervised by the Government of Madras, which also controls the chiefs of some wild tracts bordering on the northern districts of the Presidency.

Bombay,

Some extensive native States are interspersed among the Bombay districts, and supervised by the Government of that Presidency. Of these the principal are the possessions of the numerous petty chiefs in Kattywar and other parts of Guzerat. There are also the districts still held by the Guicowar, formerly a member of the Mahratta Confederate Empire, and a great number of petty States—more properly styled in some cases estates—belonging to Mahratta chiefs. Altogether the part of India generally known as the Bombay Presidency consists of British and native districts in nearly equal parts.

Bengal,

The native States supervised by the Government of Bengal consist entirely of wild and sparsely inhabited

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tracts. These are, 1. A large and little known country on the south-west frontier of Bengal, inhabited for the most part by aboriginal tribes. 2. The mountainous tracts between Assam and Bengal called the Garrow and Cossya Hills. 3. Tipperah, north of the British district of Chittagong. 4. Muneepoor, which although controlled by the Government of Bengal, can however hardly be considered a part of British India, being bounded on the east by the King of Burmah's dominions. The extent of all these great tracts is no index of their relative importance in the general political system.

Punjab,

The native States under the superintendence of the Punjab Government comprise an area of more than forty thousand square miles. Of this more than one half belongs to the Mahomedan principality of Bahawulpoor, the greater part of which is little better than desert. There are several small Sikh States between the Sutlej and Jumna, and there are numerous petty principalities in the Himalayas—among which is situated the well known sanatarium, Simla—whose allegiance was transferred from the Nepaulese to the British, after the war of 1814. Cashmere, a country larger than England, for the most part consisting of enormous mountain ranges, although beyond British territory, is subject to British influence and a certain degree of control.

and Central Provinces.

The southern parts of the Central Provinces contain some extensive tracts, almost uninhabited and uninhabitable, which are under the rule of native chiefs.

Area and population of India.

The following table exhibits the principal political divisions of India, as above described. The whole country is slightly less in extent and population than the continent of Europe without Russia. It should be added that the estimate of the population of most of the native States is a mere approximation of the roughest kind. The land revenue of each British province is stated, but it will be readily understood that this is not

necessarily an index of their total revenues, or of their comparative wealth and importance :—

Province	Area in Square Miles		Population	Land Revenue
British Provinces.				
Bengal regulation districts	122,000			
„ non-regulation districts	123,000			£
		245,000	38,500,000	3,838,000
N. W. Provinces regulation districts	64,000			
„ „ non-regulation districts	19,000			
		83,000	30,000,000	3,994,000
Madras	—	124,000	26,500,000	4,376,000
Bombay regulation districts	63,000			
„ Sind cultivated districts	15,000			
„ „ desert	39,000			
		117,000	12,500,000	2,944,000
Punjab non-regulation districts	—	102,000	17,600,000	1,877 000
Oudh ditto	—	23,000	8,000,000	1,033,000
Central Provinces ditto	—	83,000	8,000,000	571,000
Burmah ditto	—	80,000	2,400,000	283,000
Berar ditto	—	17,000	2,200,000	493,000
Coorg ditto	—	2,000	100,000	21,000
Total British territories	—	876,000	145,800,000	19,452,000
Native States.				
Under Government of India :—				
Mysore	31,000	—	3,500,000	
Hyderabad	95,000	—	10,500,000	
Rajpootana	123,000	—	8,500,000	
Central India	77,000	—		
		326,000	7,900,000	
Under Government of—				
Madras	—	21,000	1,750,000	
Bombay	—	60,000	4,500,000	
Bengal	—	46,000	1,500,000	
N. W. Provinces	—	6,000	400,000	
Punjab, in British territory	43,000	—		
„ „ Cashmere	60,000	—	3,550,000	
		103,000	3,000,000	
Central Provinces	—	33,000	1,100,000	
Total Native States	—	595,000	46,200,000	
Grand total area and population of India	—	1,471,000	192,000,000	

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CONSTITUTION OF THE INDIAN GOVERNMENT.

CHAPTER II.

THE PRESIDENCIES.

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Popular view that India consists of three Presidencies erroneous.

THE NATURE of the first proposition, which it is the object of this work to establish, will probably have been already apprehended from the summary given in the foregoing chapter. It will be readily perceived from this account of the circumstances under which the administration of British India has gradually assumed its present form, that the idea popularly entertained, and countenanced more or less by official usage, that British India is divided into three Presidencies, is entirely inaccurate. This mode of division was correct at one time, but is so no longer.

British India is now divided into ten great provinces, each under its own civil government. These governments are vested with different degrees of executive power; but they are quite independent of each other; and all of them, both in law and practice, exercise their functions subject to the direct authority and control of the Governor-General of India in Council.

Ambiguity of the term 'Presidency.'

It will also have been gathered from the first chapter that the titles popularly given to the three Presidencies, when they constituted the whole of British India, are

not their correct names. The territorial division known as Madras is properly the Presidency of Fort George, and no such place as the Bengal Presidency has ever existed. The ambiguous sense in which the word 'Presidency' itself is commonly used should also be noticed. Originally the title was applied to the governing body at each of the three principal settlements, the Commission namely of President and Council, to which the powers of the Company were delegated. From this meaning the term came to be extended to the territories of which those bodies in course of time obtained the possession; but even in this sense it has not been used with precision. The Acts of Parliament determining the form of Government for India, to which we have referred, all speak of 'the Presidency of Fort William in Bengal,' as if the Presidency were less than, and contained within, the country called Bengal; whereas, from the year 1813, it has been pronounced lawful to add various ceded territories beyond that country to the Presidency of Fort William. Further, the term 'Presidency' is frequently used, both popularly and in official language, to signify the capital town as distinguished from the interior of the country. Thus a person going to Calcutta or Madras, is said to be going 'to the Presidency;' officials residing at those towns are entitled in consequence to certain extra or 'presidency allowance;' and the divisions of the army, of which the commanding general's head-quarters are placed at the capital, are styled the 'presidency divisions.'* It may be added that the name of each presidency has been somewhat differently derived. That on the western coast takes its name, both officially and in common parlance, from the seat of government; that on the eastern coast, usually known by the name of the capital town, is styled in official documents by the name of the fort which over-

* This ambiguity is very conspicuous in the Mutiny Act, one section of which employs the term 'presidency' in the sense of a territorial division, while the following one uses it to denote a capital town.

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looks the town; the third presidency derives its popular name from the most important of the different countries comprised within it.

And of name 'Bengal.'

Further the name 'Bengal' itself is also commonly used in three different senses. First, to denote the country, sometimes styled 'Bengal proper,' inhabited by the race which speaks the Bengalee language. Secondly, it is applied to the territories formerly comprised in the souhbadaree or viceroyalty of Bengal during the Mahomedan era; namely, the three great provinces of 'Bengal proper,' Behar, and Orissa, which with the provinces of Assam and Cuttack, subsequently added, are now under the jurisdiction of the 'Lieutenant-Governor of Bengal.' Thirdly, it is applied to the great plain of Upper India, extending from the mouths of the Brahmapootra to the borders of Afghanistan, which is garrisoned by the Bengal army, and administered by the agency of the Bengal civil service; and which, speaking roughly, is comprised by the three Lieutenant-Governorships and the Province of Oudh. This third application of the title 'Bengal Presidency,' which is the one most familiar to English readers, has no doubt arisen from the circumstance that the Bengal army is governed directly by the Governor-General in Council, who until 1833 was styled the General-Governor in Council of *Fort William in Bengal*; and also because the official body, termed the 'Bengal Civil Service,' constitutes the principal administrative agency throughout the countries garrisoned by the Bengal army. But, as we have seen, such a territorial division is not recognised by the law, and is quite inaccurate as a representation of facts. The Presidency of Fort William, as defined by the Act of 1833, comprises only the territories now under the jurisdiction of the Lieutenant-Governors of Bengal and the North-Western Provinces; while the so-called 'Bengal' Government—applying that term, not to the Lieutenant-Governor of Bengal, whom it properly denotes, but, after

popular usage, to the Government which controls the Bengal army, viz. the Governor-General of India in Council—is not more directly concerned with the administration of the provinces garrisoned by the Bengal army, than with that of any other part of India. It is even less concerned with such of these provinces as are ruled by Lieutenant-Governors, than with the provinces like Mysore and Berar, in the south and centre of India, the administrators of which possess less independent authority than do the Lieutenant-Governors.

Origin of the mistaken ideas regarding presidential boundaries.

As regards Madras and Bombay, the idea of a territorial division by presidential limits is so far appropriate that there are distinct armies and civil services employed in the territories under the jurisdiction of the Governments of Madras [Fort St. George] and Bombay respectively; and this fact has no doubt helped to foster the idea that there exists a third great territorial division, coextensive with the area covered by the third army and civil service. But even in the case of Madras and Bombay, the division by Presidencies holds good but partially. The troops and the civilians employed in the Madras [Fort St. George] Presidency, are certainly none but Madras troops and Madras civilians; but these bodies are also extensively employed beyond the limits of that presidency. The Madras army* furnishes the garrisons of

* Distribution of Madras army, including British forces borne on the Madras establishment:—

	Batteries Artillery	Regiments Cavalry		Battalions Infantry	
		European	Native	European	Native
Stationed within limits of Madras Presidency . .	8	0	2	3	19
Stationed in Provinces under direct control of Supreme Government . . .	14	2	2	6	21
Total . .	22	2	4	9	40

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the province of Mysore, the foreign kingdom of Hyderabad, a great part of the Central Provinces, and the transmarine province of Burmah; countries the administrations of which are under the direct control of the Governor-General in Council, and have no sort of connection with, or subordination to, the Government of Madras. The portion of the Madras army remaining at the disposal of the Madras Government, and stationed within the Madras Presidency, is, in fact, a mere fraction of the whole. Moreover, officers of the Madras civil service and army are largely employed in these provinces, in various civil capacities, and also to some extent in Oudh and the Punjab, the non-regulation provinces of the so-called Bengal Presidency. While so employed, they are wholly removed from the control and authority of the government of the presidency to which they are nominally deemed to belong.

The same remarks apply, in a lesser degree, to the Bombay army, which besides garrisoning the Bombay Presidency, also furnishes garrisons for the large stations of Mhow, Nusseerabad, and Neemuch, situated in foreign states, supervised by agents of the Supreme Government. Furthermore, the members of the Bombay Services, civil and military, are eligible, equally with those of Bengal, for employment in the different provinces administered by the Supreme Government.

Connection between Bengal Presidency and army.

The common notion, moreover, that the Bengal Presidency—using the term in its popular sense, *i.e.* to mean the country garrisoned by the Bengal army—consists of the three Lieutenant-Governorships and the province of Oudh, expresses the facts only very roughly. The Bengal army garrisons these territories, but it also shares with the Madras army the duty of supplying troops for the Central Provinces; and with the Bombay army of garrisoning the Native States of Central India and Rajpootana.

Further, the body of officials known as the Bengal

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Civil Service, though bearing one name, is divided into two distinct parts, one of which is employed under the Bengal Government, the other in the northern provinces of India. The candidates for the Civil Service make their choice between these two divisions on first appointment, and shape their studies in the Indian languages accordingly, during their period of probation in England. Henceforward the divisions of the service are almost as completely separated from each other as they are from the Bombay and Madras Civil Services. The young civilians nominated to Bengal are at once on arrival placed at the disposal of the Lieutenant-Governor of that province, while the first distribution of those who form the second division, among the three northern provinces (the North-West Provinces, the Punjab, and Oudh), is made by the Government of India; but henceforward the employment and promotion of all are determined by the respective Lieutenant-Governors. The only bond of union between these two divisions, beyond their common name, is in fact that the members of both subscribe to one common fund for retiring annuities and family pensions. This tie is obviously quite trifling. The two divisions might at any time have been formed into two separate civil services for Bengal and Upper India without the smallest difficulty or infringement of vested rights.

Bengal Civil Service practically divided into two services,

for east and north of India,

Thus there are in effect four and not three civil services. It may be added that the two divisions of the Bengal, are much larger than either the Madras or Bombay Service, and that the differences of promotion and rates of salary in the Upper and Lower Divisions of the former, are quite as great as between those of Bengal and the other two services.

each larger than Madras or Bombay Civil Service.

So far, however, from any further subdivision being desirable, the presumption appears to be quite the other way. The original division of the Civil Service into separate bodies, although suitable enough in former

Three separate civil services no longer necessary or suitable.

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years, has now become obsolete and useless. The popular notion that it secures that our officials shall be conversant with the languages of the people whom they are set over, is quite fallacious. The diversity of languages in different districts of the Madras Presidency is much greater than the diversity between the languages of adjoining districts of the different provinces and presidencies. The same remark applies to the enormous territory ruled by the Government of Bengal. A Bengal officer may be sent from Behar, where the people are Hindostanees speaking pure Oordoo, to the extreme east of Bengal, where only Bengalee is spoken, or even to Assam, where an altogether distinct language is found; and a Madras officer may be transferred from the south of the peninsula, where the language is Tamul, to the extremity of the Northern Circars, where the language is derived from a different stock, or to the Canarese districts of Bellary. All that the present presidential system secures, is that under no circumstances shall a civilian step across the border from one regulation province to another, although the line of demarcation be a purely arbitrary one, such as that which divides the Bombay and Madras Presidencies on the west coast, or the Northern Circars and Cuttack on the east. This condition, however, does not hold with respect to the non-regulation provinces, as will have been understood from what has already been said. Bengal civilians are occasionally employed in Mysore, where the Canarese language is spoken, of which they have had no previous knowledge; and Madras and Bombay civilians are occasionally employed in Upper India. In these cases the division of the services fufils no useful purpose whatever. On the other hand, not to mention that this division tends to perpetuate needless class prejudices and jealousies, it certainly operates to deprive the Madras and Bombay Services of their proportionate share of the higher appointments under the Supreme Government, which now

Anomalies arising out of this separation.

almost always fall to their more fortunate brethren in Bengal. The two former are in fact confined to provincial duties; the Bengal is regarded as being, and is in fact the imperial service. And an index of the superior estimation in which it is held in consequence, is afforded by the selection made by successful candidates at the annual competitive examination for admission to the Indian Civil Service. Those at the head of the list almost invariably choose Bengal, to the extent of the available vacancies; the rest are perforce appointed to Madras and Bombay.

Fusion of the three civil services into one desirable,

The conclusion seems therefore warranted, that as regards the civil service, these presidential distinctions may with great advantage be abolished, and all Indian civilians placed on the same footing, as belonging to one imperial establishment.

and would involve no alteration in mode of first appointment.

Such a change would involve no alteration in the mode of first appointment. Young civilians would still be distributed as at present to the four great divisions of the country, in view to the selection of the vernacular languages to be studied during their period of probation in England, and would proceed to their destinations accordingly on arriving in India. For the smaller provinces the Government of India would obtain the services of applicants from time to time, from the governments under which they were serving, just as is done at present. But the imperial departments would be filled up by selection from the whole Indian service, instead of falling, as the secretariat appointments practically do now, to the Bengal branch, and thus a wider experience would be obtained for the service of central government. Last, but not least, the change would be one step towards dispelling the notion commonly entertained, even in India, and partly justified by the present state of things, that the Supreme Government is not the Government of India, but the Government of Bengal, a belief continually

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productive of friction in the wheels of Indian administration.

In view to anticipate a possible cause of objection, it will be useful to explain that this change would not affect in any sensible degree the relations between the governments of Madras and Bombay, and the civil servants employed under them. The fiction would certainly be abandoned, that a Madras or Bombay civilian serving in the Punjab or Mysore was in any way connected with the Government of Madras or Bombay; as would be the notion that the Bengal civil servants are in any way directly under the orders of the Government of India. A civilian would be recognised to be, what in fact he is already, the servant of the particular government under which he happened to be immediately employed. The necessary adjustment of the pension and annuity funds, to suit the new plan, is a matter of detail which need not be pursued here.

Amalgamation of three existing military establishments still more desirable.

If the fusion of the three civil services into one be desirable, the amalgamation of the military services—with one important reservation to be referred to presently—would be still more so; indeed, in the present altered condition of India, the measure appears to be imperatively called for. The circumstances which first caused the separation of the Indian forces into three establishments—namely, that they were controlled by independent or quasi-independent authorities, that they were operating from different bases, and obtaining their reinforcements and supplies at three separate points—have altogether passed away, and this division is the last plan anyone would now propose, if the country in its present state were to be garrisoned anew. But this point will be best established by considering separately the three cases of—1. The European troops; 2. The officers of the Indian Army; and 3. The native troops.

British troops in India.

It needs hardly be said that Her Majesty's troops serving in India belong to one and the same army, subject

to the same Articles of War and Regulations, and being in all respects under precisely similar conditions. Nevertheless, they have always been, and are still, deemed to belong to the Bengal, Bombay, or Madras 'Establishment,' according as they are serving at stations occupied by the native armies of one or other of those presidencies respectively. The only bond of connection lies in the general control exercised over all British troops in India by the Commander-in-Chief, who is also Commander-in-Chief of the Bengal native army, but has no authority over those of Madras and Bombay. This general control has reference, principally, to courts-martial and leave of absence.

Reasons formerly obtaining, for keeping them on three separate establishments,

So long as the Company's government lasted, the anomaly involved in this condition of things had not arisen. The European troops in India consisted then of two parts—the local forces of the Company, which included the whole of the European artillery; and the British regiments of cavalry and infantry. Now, the former were actually divided into three separate armies; each with its own separate regulations; its distinct list for promotion; each serving in its own part of India; each receiving its cadets, recruits, stores, and equipments, direct from England; and each organised, in many respects, on its own plan. So long as these separate armies were maintained, it was not unreasonable that a similar separation of establishments should be extended to the royal troops, who formed the supplement to the European garrison of the country. But the local European troops have now all been absorbed into the British service, and all local distinctions have been abolished. Simultaneously with these changes, improvements have taken place in the means of communication throughout the country, which render it possible to conduct the business of the whole army with greater precision and despatch than could formerly be applied to the different detachments of a single brigade. Under these circumstances, to maintain the antiquated system, which originated in the

no longer in force.

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necessities of a bygone age, long after the need and use for it has passed away, must surely be indefensible when the facts of the case are once understood.

Meaning of the term Establishment.

It may be well to explain here in what this presidential system consists, as applied to the British troops in India. In all other colonies, as is well known, the action of the Colonial Government is confined to recommendations for the distribution and, if need be, the employment of the troops, which in all other respects continue to be as completely under the control of the English War Office as if they were still in England. But the whole expense of the British troops stationed in India is borne by the Indian Exchequer; and consequently, except as regards discipline and the operation of the Articles of War, the whole administration of this portion of the army is conducted by the Indian Government, which determines the distribution and movement of the troops, and the allowances to be drawn by them, makes all provision for barracks and hospitals, and supplies all the establishments and camp-followers required to supplement the combatant forces. Thus a regiment on arriving in India comes under the supervision of a second War Department, and the inconsistency and anomaly of the existing practice consists in the maintenance of three War Departments instead of one. Besides the Military Department, as it is termed, of the Supreme Government, the Madras and Bombay Governments have each a smaller bureau of the same kind. Now if those Governments were financially responsible for their military administration, there might be some show of use for these offices; but since the whole military expenditure and administration throughout the country are in reality regulated entirely by the Supreme Government (to which all business has finally to be referred), these local Military Departments are, so far as the British troops are concerned, a mere interpolation of needless additional machinery.

The inconvenience, to use the mildest term, of the

present division of authority, may be best exemplified by one or two illustrations:—

Practical inconveniences involved in present system,

The city of Nagpoor, the capital of the Central Provinces, is garrisoned by a line regiment from the Madras 'Establishment.' But Nagpoor can only be approached, from the south, by passing through an uninhabited malarious jungle, so the reliefs are usually shipped from the Madras coast to Bombay, whence a railway conveys them to Nagpoor. But as this regiment belongs to the Madras Establishment, no official cognisance of its movement would be taken by the Bombay Government, until it was requested to provide for its transport by the Madras Government. In fact the regiment, while passing through the Bombay Presidency, would be practically as much in a foreign country as are the British troops when passing through Egypt on their way to India.

in movement of troops;

Again, if the head of the administration of Burmah wants to alter the distribution of his garrison, he must apply to his superior authority, the Government of India, who state their wishes to the Government of Madras, who instruct their Commander-in-Chief to make the needful change. Or, conversely, if the general commanding the troops at Rangoon wants some improvement carried out in the barracks there, he applies to his Commander-in-Chief, who applies to the Madras Government, who apply to the Government of India, who finally instruct the Chief Commissioner accordingly. All this circumlocution is necessary, because the British regiments in Burmah are held to belong to the Madras Establishment, which supplies the native portion of the garrison.

in army accounts;

Besides the needless multiplication of correspondence and loss of time in the disposal of business which this system necessarily causes, it adds great complexity to the army finance and accounts. So long as the three armies are kept separate, and provided for by separate grants, the accounts and estimates, which follow the course of those grants, must necessarily be kept separate also, and

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the Madras and Bombay Governments must have each their separate office for audit and control. But since the final audit and accounting must necessarily be carried out by the War Department at Calcutta, which makes the grants and supplies the money, the former are in fact merely branch offices, where the accounts are condensed before being sent on to the place where they can be finally disposed of.

and especially in time of war.

The inconvenience of the system during peace-time is, however, but trifling compared with what occurs in time of war. The danger and difficulty which attend all military enterprises undertaken by combined forces of allies; the importance of concentrating military authority in one head; the necessity for a centralised administration of military affairs—these are things universally admitted; and to work out the last condition successfully is the problem which every nation in Europe is eagerly employed in. Yet the object deliberately contemplated by the Indian system is artificially to create three armies out of one. That the British troops serving in different parts of India should have separate Commissariat Departments, and different systems of camp-followers and equipage, cannot be otherwise than extraordinarily inconvenient on active service. It is still more embarrassing that there should be three different systems of ordnance equipments. The evils of this diversity have been experienced in every campaign where mixed forces were employed. So long as there were three separate armies, it seemed unavoidable. Now, however, the inconvenience, if maintained, will be a purely artificial one. Uniformity of equipment will no doubt be gradually approached, as the old stores now in the arsenals are replaced by new stores from Woolwich; but that complete uniformity of system which is an essential condition of efficiency will never be reached, so long as there are three independent Ordnance Departments, which can only be approached through the Governments they serve.

New transport system involves abolition of separate establishments.

Another change now impending renders the fusion of establishments more than ever desirable. Heretofore troops and stores have been despatched to and from India at three ports. But the railways from Madras and Calcutta to Bombay now approach completion, and henceforward all reliefs of British troops will arrive at and depart from Bombay, to and from which port the troops for all parts of India will find their way for embarkation. A regiment, therefore, instead of spending its whole tour of Indian service in one Presidency, will now be frequently passing from one to the other. Moreover, some of the regiments embarking at Bombay will belong to the Bombay establishment, having worked their way down from other parts of India, and some will be merely passing through the Presidency on their way to the port, without stopping to be brought on to the Bombay 'Establishment.' The complication of accounts and correspondence that must arise from the troops, belonging to three armies, thus pouring into one place, and the difficulty that must occur in preventing confusion, if the business has to be conducted by three Governments, will assuredly be found quite intolerable.

Costliness of present organisation.

Last but not least the needless expense of this cumbrous organisation has to be noted. It may be confidently asserted that were these local military secretariats abolished, and a complete fusion effected of the European military establishments throughout India, the commissariat, ordnance, and other army departments being amalgamated each under one head, reporting direct to the Supreme Government, not only would the large resulting saving of expenditure be accomplished without any sacrifice of military efficiency, but the military administration of India would be in every way strengthened and simplified. The continuance of this obsolete system involves then a simple waste of money in the maintenance of establishments the necessity for which has now ceased to exist,

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and reform in this respect is plainly demanded in the interest of army economy.

Effect of proposed fusion on Governments of Madras and Bombay

The fact seems to be, that the present anomalous state of things is maintained, partly because the nature of the change caused by the abolition of the local Indian army has not yet been fully appreciated, and partly, no doubt, from an idea that the dignity of the Governments of Madras and Bombay is in some way involved in maintaining the appearance of their having a control over the British forces in those Presidencies. This semblance of authority, however, is not considered to be a needful attribute of any colonial government.* It will probably not be considered that the constitution of the Madras and Bombay Governments—which consist of a governor, who possibly, and two civilians as councillors, who certainly, are without any previous experience on this head—renders them specially suited for the superintendence of the British Army.† And when the matter is looked into, it will be found that this superintendence, after all, is really quite nominal. The total strength of the British forces in India, and their distribution throughout the different provinces, are determined by the Supreme Government. As regards expenditure and arrangements for permanent objects—barracks, hospitals, and so forth—all the governments and administrations in India are precisely on the same footing, these being provided by the different provincial administrations, each for its own garrison respectively; and since, as has been already explained, more than one-half of the so-called Madras establishment is serving beyond the limits of that Presi-

would be merely nominal, the military administration being already, in practice, centralised under the Government of India.

* A colonial governor usually receives a commission as Captain-General and Commander-in-Chief. But this gives him no authority over the administration of, or financial arrangements connected with, the troops.

† The local Commander-in-Chief is also a Member of Council, but does not usually take an active part in the business of the administration, one portion of which is indeed obviously to criticise and control the management of the army by its executive head. But the advice and counsel of this officer could be obtained equally well, were he not a member of the Council.

dency, the Government of the latter has to provide in these matters for only the smaller residue.* The special functions of the Bombay and Madras Governments, in regard to the British troops, may therefore really be reduced to this, that the selection of particular regiments for particular stations is nominally determined by them; in reality, the matter will usually be settled by the local Commander-in-Chief. It will hardly be contended that the presidential system, with all the expense and trouble it causes, ought to be maintained any longer, simply for sustaining these trifling distinctions. The province which has the largest military garrison in India is the Punjab, the lieutenant-governor of which has of course an important share in determining its strength and distribution. Yet it would never be alleged that his dignity and just influence were lessened, because it is not left to him to determine which particular battalions and batteries shall occupy particular stations, or because his opinion is not taken as to the number of litters required for a regimental hospital.

Moreover, it is not as if the distribution of troops between the three Governments were an equal one, and the Madras and Bombay Governments had to deal with a large proportion of the whole British garrison, the separate administration of which by them afforded any considerable relief to the business of the Supreme Government. Of the eleven regiments of British cavalry serving in India, one is stationed within the Bombay, and none within the Madras Presidency. Of the fifty-two battalions of the line in that country, the battalions stationed in those Presidencies respectively are seven and three. No appreciable increase of trouble would be imposed on the administration which deals with the remainder, were these small bodies to be added to them.

* One exception to this rule should be mentioned. The Madras Government provides the military buildings at Bangalore, the capital of the foreign State of Mysore.

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It seems clear, therefore, that the position of the Madras and Bombay Governments would in no way suffer by the removal of these needless complications, the relics of a state of affairs no longer existing; the only actual sufferers would be the members of the military secretariats at Madras and Bombay, the abolition of whose appointments would necessarily follow the cessation of the business on which they are now occupied, and the officers who would be found in excess of the required strength on the amalgamation of the different staffs and departments. But although in England personal interests often stand in the way of reforms, there is no difficulty of this kind in India, owing to the rapid course of official promotion. A complete change in the higher ranks of the administration takes place every five years, and no superfluous post need ever be retained, on the score of difficulty in providing suitably for the holder.

Case of officers of Indian Army.

If we next consider the case of the officers of the Indian Army, the argument for change appears equally strong, while the amalgamation measure has removed all the difficulties which before stood in the way. Formerly, these officers were divided amongst three armies, their promotion running in separate regimental and general lists for each.* This regimental system has now been entirely broken up; the officers have been removed altogether from the cadres of their regiments, and transferred to an unattached list, promotion in which no longer depends, as in other armies, on the occurrence of vacancies, but is regulated solely by length of service—an officer becoming a captain in twelve years, a major in twenty, and so on. From these unattached lists, or Staff Corps, as they are called, officers are appointed to the different native regiments of the army, and to the various situations, civil and military, which have to be filled throughout the country.

Organisation of Staff Corps

* For a full account of the present organisation of the Indian Army, see Book IV.

Three separate Staff Corps have thus been formed, officered in the first instance, from the three armies which they supplanted. But although this division into three separate corps may have then appeared to a certain extent desirable, it was plainly not essential; and the maintenance of such a division will involve much that is anomalous and inconvenient.

renders three separate establishments unnecessary.

This will be best seen by considering the distribution of the officers. Taking, for example, those of the so-called Madras Staff Corps, and omitting for the present the portion attached to the native regiments of the Madras Army, the rest may be broadly divided into two classes—one employed on the army staff and in the different military departments; and the other in civil situations, such as the police and public works departments, and in judicial and fiscal appointments of the kind filled in the regulation provinces by covenanted civil servants. Now, with respect to the latter class, by far the larger part are not employed under the Government of Madras, their connection with which is purely nominal. Like all other persons employed in civil situations, they are subject, solely and entirely, to the orders of the civil government under which they are serving, and the Madras Government has no power or authority over them whatever. Their pay, it should be observed, is drawn in and charged to the account of the province in which they are serving. So long as officers in this category were borne on the strength of Madras regiments, the case was different; because, if those regiments were ordered on active service, the Madras Government was entitled to recall them; or, if they gave up their situations, they returned, as a matter of course, to regimental duty. But this tie no longer exists. In the event of the officers losing those situations, the Madras Government is under no obligation to employ them. So far, therefore, as this numerous class is concerned, the idea of attaching them to one presidency more than another is quite inappropriate.

Anomalies involved in maintaining division.

Change involved in relations between officers and local government by Staff Corps system.

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The artificial nature of the arrangement will become still more apparent when the existing body of officers comes to be replaced by a new set. The regulations provide that the Staff Corps shall be recruited by officers from the British Army, who, on obtaining any appointments in India (other than on the army staff), will be required to leave their regiments, and enter one of the Indian Staff Corps. But it will soon be apparent that, in the case of the majority of candidates for admission, there will be no determining reason for attaching them to one Staff Corps rather than another. Say that an officer of a regiment serving at Nagpoor, the capital of the Central Provinces, is selected by the local government to fill some civil post, the appointment will have to be made by the Supreme Government; and in this and all similar cases, either the unmeaning form must be gone through, of that government requesting the Madras Government to appoint him to the Madras Staff Corps, merely because his regiment happens to belong to the Madras Establishment; or else the Bengal Staff Corps will gradually expand, at the cost of the other two, which will eventually be reduced to a mere fraction of their present strength. All these needless complications would disappear by the obvious remedy of abolishing these unmeaning distinctions, and fusing all the Indian officers into one body, to be termed the Indian Staff Corps. Such a reform, so far as can be perceived, would be absolutely free from objection; while not the least benefit to be gained from it would be the abolition of petty class-jealousies, which, if somewhat exaggerated by popular report, are yet hurtful so far as they are cherished.

Difficulty of maintaining separate staff corps.

Fusion of the three into one desirable.

Under this view, of course, the military officers employed in civil situations under the Governments of Madras and Bombay would be on precisely the same footing and relation towards those governments as at present: the difference would consist in this, that numerous other officers, nominally under their orders, but

Effect of the change on officers in civil employ,

with whom they have really no dealings whatever, would cease to have this nominal connection. A needless and troublesome fiction would be abolished.

and in staff employ.

With respect to the officers employed on the army staff and civil departments, an equally strong case lies for change. Those officers who belong to the first of these classes are really nominated to their appointments by the Commander-in-Chief; the action of the local government, in their case, consisting merely in the notification of their names in the official Gazette. The army civil departments—commissariat, pay, &c.—are certainly in the patronage of each Government, and under the views here advocated, the three existing separate staffs and departments would be fused into one, under the direct orders of the Supreme Government; but in these departments, promotion, with rare exceptions, goes by seniority, so that the patronage to be surrendered at most resolves itself into the selection of juniors for first appointments. Even were the three separate establishments maintained, this would in no way necessitate the maintenance of three Staff Corps.

Case of officers attached to native troops.

Lastly, there remains the case of the officers attached to native troops. With respect to the native army itself, so far from a fusion being desirable, every consideration of policy appears to point quite the other way, and to recommend a still further subdivision than obtains at present. It is thought, by many whose opinions are entitled to the greatest weight, that a thorough segregation of the native troops is urgently required; and that the large Bengal Army, especially, should be divided into two, so that there might be at least four distinct native armies for India, all unconnected with each other in time of peace. This subject has been considered at length in another part of this work;* but whether that change be carried out or not, affects not the principle now contended for. The native armies consist of a con-

Further division of native troops advocated,

but fusion of their European officers.

* See Book IV., Chapter XVI.

BOOK II.

geries of battalions, the men of which are never interchanged, and to which the officers of the Staff Corps are now posted, without reference to the cadres they originally belonged to. At first starting, it naturally happened that the three armies were officered from the Staff Corps of the Presidencies to which they respectively appertained. But hereafter, as has been stated, the native armies will be supplied by volunteers from Her Majesty's British troops, who, in virtue of their appointments to the native regiments, will be removed from their own corps, and posted to the Indian Staff Corps. For carrying out this arrangement, one Staff Corps would do equally as well as three.

Should native armies be under provincial or central government?

There still remains to be answered the larger question, whether, even if a fusion be effected of the European element, the native armies should continue to be under the control of three separate governments, or whether a more centralised arrangement would not be preferable? In the case of a native army serving wholly under one government, as does the Punjab Force, it would certainly appear the most appropriate plan to place it under the orders of that government, both for administrative convenience, and as tending to create that isolation of interests which should be a leading principle of our military policy. But when an army garrisons half-a-dozen different provinces, as does the Madras Army, no useful purpose appears to be gained by placing it under the government of one of those provinces, which would not equally be attained by placing it under the central authority.

Conditions which brought about former plan no longer suitable.

The fact is, that the conditions which determined the form originally given to the Indian Armies, have now become entirely superseded by a new state of things. The three separate armies were established, in the first instance, to garrison the territories to which they respectively belonged, and the strength of each was determined solely with reference to the wants of each case. They were essentially three separate armies, supplemented by a

British contingent. Subsequently, large acquisitions of territory took place, which became subject to what was then properly denominated the Bengal Government, which acquisitions demanded an increase to the Indian Army. This increase would, other things being the same, have naturally been made to the Bengal Army. But, in the interests of the European officers, the augmentations made from time to time have usually been distributed pretty equally over the three armies; and since the allocation of the various garrisons throughout the country has been determined by the aggregate military force available, without reference to presidential boundaries, it has come about that the Madras and Bombay Armies have been spread out to occupy countries beyond the limits of their own presidencies. Hence arises the anomaly, with all its attendant embarrassments and inconveniences, that while the territories ruled over by the so-called Bengal Government are occupied partly by its own army, and partly by two armies which it controls only in an indirect, circuitous fashion; the larger part of the army which is nominally subject to the Government of Madras, is employed wholly beyond its ken and control.

A simpler and more centralised system now called for.

The time, however, has now arrived, when, in pursuance of the policy of amalgamation already partially developed, the military administration of the country should be recast on a simple and definitive plan. The first condition of this is the entire abolition of presidential distinctions as regards all branches of the European troops, and the complete severance of the now obsolete connection between the Presidencies and native armies. Let those armies be subdivided, to any extent which may be thought necessary or desirable; but no organisation by provinces is appropriate, or even practicable, short of maintaining a separate army for each of the nine provinces into which the country is divided.

The reform here advocated was proposed by a Governor-

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This a revival of an old scheme.

General nearly forty years ago.* It was considered premature then; but, from the improvement now effected in means of communication, the great reduction made in the strength of the Indian Army—the number of officers and men being less than half the number employed ten years ago—and since the British troops have already been amalgamated into one body, the administration of the whole force is really much less difficult than was that of a single army of either presidency in former times.

Four separate native armies proposed,

under one Commander-in-Chief

and staff,

As a necessary feature of the scheme, the immediate connection would cease, which now exists, between the Commander-in-Chief in India and the Bengal Army, as was recommended by Lord William Bentinck, and that officer would exercise the direct command of the whole Indian forces. These might be divided into four *corps-d'armées*, each consisting of a separate native army and its proportion of British troops, commanded by a Lieutenant-General. The staff in India would form one body, but the native armies would be still quite separate and distinct. These changes, besides vastly simplifying the military machinery of the country, would be attended with a considerable saving of expenditure.

with abolition of all presidential distinctions.

The fusion of the three Civil Services into one has been proposed in the first part of this chapter. On this taking place, with the complete army amalgamation now advocated, all presidential distinctions would disappear; and the word 'presidency,' with all the embarrassments and confusion of ideas which it gives rise to, might then be abolished from the Anglo-Indian vocabulary. The fact would then be clearly apprehended, that British India is composed of a number of separate provinces, each with its own civil government, the whole being subject to the control of one supreme authority, which also is charged with the administration of the army.

The foregoing proposals will naturally be open to the

* Minute by Lord William Bentinck, dated September 14, 1831; Reports of Select Committee of House of Commons on Indian Affairs, 1832.

criticism, that they tend to diminish, in some respects, the power and authority of the subordinate Governments of Madras and Bombay. So far as to divest them of the appearance of an authority which is little more than nominal, and an insignificant quantity of patronage, and to fix the responsibility for the military administration where it already virtually exists, this would certainly be the case. But I would ask the reader to suspend his criticism on this head until, when the views developed in this work shall have been fully unfolded, he will be able to consider their general tendency. Those who will take the trouble to pursue the subject to a conclusion will, I venture to think, be satisfied that the general result of the proposed measures, far from tending towards greater centralisation, would be to place all the provincial governments on a footing of much greater independence and responsibility than they now occupy.

CHAPTER III.

RELATIONS OF SUPREME AND PROVINCIAL GOVERNMENTS.

BOOK II.

Actual constitution of Indian Empire

THE foregoing chapter was devoted to an exposure of the inconvenience and anomalies involved in maintaining the now inappropriate distinctions, which tend to foster the popular notion, that British India is still divided into three Presidencies. A clear apprehension of the nature of the actual organisation of the Indian Empire, namely,

in separate provinces.

as a number of separate provinces, each with its own civil government, the whole being presided over by the Governor-General in Council, will serve to clear the way for fully appreciating the conditions of the subject to be discussed in the present chapter.

Objections to foregoing proposals on score of centralising tendency

I have advocated the fusion of three civil services into one service for all India, and that the distinctions should be abolished which at present nominally divide the British army serving in India into three separate bodies. To which proposals it may be objected that such changes would all tend to the greater centralisation of administration, and that centralisation is to be condemned, and not encouraged. I would first protest against that begging of the question which is involved in attaching a bad sense to a word which is not necessarily involved in it. It is sometimes the fashion to talk about centralising influences, and tendencies to centralisation, as if a measure stood sufficiently condemned because the epithet centralising could be applied to it. Considering the tendency generally manifested towards a greater centralisation of

considered and replied to.

administration throughout the civilised world, not excluding England, and that the want of a more vigorous central authority in that country is daily deplored by all who have any experience of English municipal institutions, especially those of the metropolis; and that a call for more vigorous government is loudly made by an influential section of the English press; in face, too, of recent events in America, the advantage of a federal over a centralised system of government cannot certainly be fairly taken for granted. While as regards India, seeing that the form of government there prescribed by law assumes a much more complete exercise of authority by the central government than is ever in practice asserted, the burden of proof at least lies on those who advocate a transfer of that authority to other parties. The idea, however, of an administration of India by a number of independent governments is, no doubt, popular in many quarters. It seems to be thought, that in this way there may be room for the development of greater activity and progress in administration, and a nicer adaptation of measures to the wants of particular localities, than are obtainable under the restrictions inseparable from control exerted at a single centre; and that these advantages may be secured without any counterbalancing dangers or disadvantages. It will be useful, therefore, to inquire within what limits decentralisation is practicable, and what is really implied in the idea?

Mr. Bright's views on Indian Government.

Mr. Bright may, perhaps, be considered a representative exponent of the federation theory, and his views may be gathered from the following extract from a speech delivered by him not long ago: *—'I urged,' said Mr. Bright, referring to his share in a previous debate in Parliament, 'that this great Empire in India should be divided into five or six independent presidencies or states. I argued that the twenty millions of people in the Presidency of Madras could be governed far better

* In February, 1867, at Rochdale.

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from the city of Madras than they could be governed in conjunction with all the other presidencies of India, by a government sitting in Calcutta; and I urged that this division should take place on two grounds,—first, that India could be governed far better by a series of presidential governments than by one central authority; and further, I used an argument of a more far-reaching character, which is this, that the time would come when the power of England would be withdrawn from India, and that it was our duty to that country, to which we owe so much, to endeavour, if possible, to build up there a series of nationalities, so that when the all-controlling and dominant power of England should be withdrawn, there should remain in each presidency a distinct organised nationality, which should be able to sustain for itself a government, and to perpetuate order, where, if something of that sort be not done, chaos, I am afraid, must come.'

Federal system how far possible

What form the politics of India would assume were the English to give up their hold of the country, is a question that can scarcely be pursued here with profit. So far as any analogy can be drawn from the past or present state of India, a balance of power among a number of federated states, if such a condition of things could

under native rule;

be brought about in the first instance, is a political state that could not last for a single day. The law of might would immediately become the only recognised title, and the stronger races of the country would at once enter upon a course of encroachment on their weaker neighbours, to give way probably in their turn to an incursion of fresh barbarians from beyond the frontier. Even if it were a reasonable assumption that such a balance of power could be maintained, and, in pursuance of that view, the attempt were made to create a system of confederated states, it has to be noticed that the existing provincial boundaries are in no way suitable for the basis on which to commence, as they have no sort of relation with the natural lines of division between

the different peoples of the country. To create nationalities, if such a task were possible, would involve the entire recasting of our own political and administrative arrangements. The idea of the three Presidencies at any rate, which the advocates of the federal system appear to have before them, must be entirely abandoned. The division would perforce be made into much smaller parts. But any theory based on the idea of a representative or free government of any kind, taking root in India, must require such a very protracted time for realisation, that the speculation cannot be pursued with any practical result. It will be more profitable here to consider, what at first sight may be admitted to be at least a possible scheme,—that namely by which, while maintaining a form of absolute government, through the agency of British officials, the existing provincial administrations would undergo a course of development from their present subordinate condition to a state of independence, or almost independence, of any central authority.

or under British rule.

Now, probably, everyone who considers the matter would be prepared to admit that this principle of presidential—or provincial—independence can only be carried out under certain qualifications. No one, it may be presumed, would be found to propose that each Anglo-Indian government should have the power of engaging by itself—and, what would necessarily follow, of embroiling its neighbours—in war with native powers, without consulting the other governments. Nor would anyone seriously propose that each government should maintain an envoy or minister at the courts of the different native states. For the control of military and diplomatic operations a central authority must be maintained of some sort.

Limitations necessary on provincial independence

in military affairs;

Further, it may be taken for granted that no one would be found to argue that each government should be allowed to levy customs duties on its frontier. The propriety of maintaining one customs system and tariff

in management of the customs;

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for all India may be assumed as admitted by everyone.

of the post and telegraph;

The advantages of maintaining an imperial establishment of posts and telegraphs, over the state of complication and confusion that must arise, were each subordinate government to start its own system of mails and telegraphs, will also not be denied by any reasonable person.

and of railways.

Further, the conditions of Indian railways involve a central superintendence somewhere. None of these railways—at any rate, none of the important lines—bear a provincial character, but must be considered as imperial works, each of them extending beyond the limits of any one province. The evils and inconveniences of divided railway management are submitted to in England, in consideration of the vigour of prosecution conferred by private enterprise. But Indian railways are virtually state undertakings, carried out with money which is in effect raised by the state; and no more money would be available were the great lines of Indian railways split up into short lengths of provincial lines, than is obtainable under the present system.

These considerations will probably be deemed sufficient to show that unity of administration and some central authority are necessary for conducting the operations of war and diplomacy, and for managing the internal communications—post, telegraph, and railways—in India. But, it may be said, admitting this, still, in all other matters, the exercise of authority by a central government involves needless interference and delay in the disposal of public business; and this would be much better disposed of finally by the provincial government on the spot, which is necessarily better acquainted with the requirements of the province than can be the distant Government of India, as well as more deeply interested in satisfying them. Let the Government of India confine itself to these general matters, it will be said, and

leave each provincial government free to manage its own business, to maintain its own contingent for the federal army, and its needful civil establishments; and allow it, on the other hand, to spend its own revenues as it thinks best.

A system of federal military contingents not practicable.

Such is probably the idea which most men conceive, who favour the idea of a Federal system for India. But even such a scheme as this could not be possible without many qualifications and limitations. In the first place, a federal system of finance, under which each province should be self-contained, paying its own expenses, and providing for its own means of defence, is quite impracticable. In some of the provinces of India, the inhabitants are too unwarlike to furnish soldiers; other provinces, from political considerations, are garrisoned by foreigners brought from a different part of the country. Then, again, the defence of a province does not generally consist of the garrison stationed within it. Bengal is the garden of India, and incomparably our most important possession there, but the garrison of Bengal is comparatively small. Its real defence is the army stationed in the North-West Provinces. Similarly, the Madras Presidency is completely protected from invasion by the sea and the provinces to the north of it. The Punjab, on the other hand, is the guard-room of India, and the army quartered on it is out of all proportion to the requirements of internal defence. It will be clear, therefore, that the share of military expenditure to be borne by each province must be determined by other considerations than the outlay incurred within it. For the distribution of the aggregate military charges over the several provinces the action of some central authority is plainly necessary, whether one general army be maintained, or the extreme case assumed of a defence of the country by federal contingents.

Nor a purely federal

A similar necessity occurs for determining the final allotment of the revenues. The customs, for example,

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system of revenue.

are mainly levied at the two great ports of Calcutta and Bombay, at which all the goods imported for Upper and Central India pay toll, as well as those intended for consumption in Bengal and the Western Provinces. Clearly, then, Bombay and Bengal are not entitled to claim the whole of the customs revenues. So also the opium, on which an export duty is levied at Bombay, is produced wholly without the limits of the Bombay Presidency. Again, a part of the opium sold at Calcutta is grown in the North-Western provinces and Oudh. There is also the case of the salt duty levied on the Punjab frontier. But with the precedent of the Zollverein before us, the supposition of the abandonment of the imperial character of the Indian customs need not be seriously pursued.

Some Indian provinces not self-supporting.

Further, some of the Indian provinces would have no surplus revenues, under any allocation of receipts and charges which could in reason be made to them. These provinces are maintained by the British Government, either because they form the highway to other and more productive regions, or because they afford a promise of proving remunerative hereafter, after a season of peace and fostering care; or generally in the interests of humanity, for the benefit of the people. But at present they are a financial burden, only to be supported from the general purse of the empire. Here also the action of a supreme government is needed, to determine the amount of aid to be given from the common purse.

Supposition of a federal congress for central government.

It might certainly be replied, that these conditions could be satisfied under a federation, by the establishment of a council or congress from the different federal governments, to settle the affairs common to all, and determine the share of the public burden to be borne by each province. A central government of such a kind is perhaps not a theoretical impossibility, but probably no one will be found to maintain that a body so constituted—delegates from a congeries of paid officials—would form a

suitable vehicle for conducting the military and foreign policy of the empire. There remains to notice the alternative of transferring this authority to England, and governing India directly from the India Office. But as such an idea has never been broached in any quarter, it need not be seriously considered here.

Existing system of detailed central control,

There are many persons, however, whose experience and judgment are entitled to the greatest respect, who, without in the least questioning the propriety of maintaining a strong central government, as now established by law and practice, with supreme and unquestioned authority over all the subordinate governments of India, yet consider that the control exercised by it is carried too far, and extends too much into matters of detail. They admit that the finances of India must necessarily be dealt with as a whole, in the same manner as the finances of the British empire, but they deplore the minute and excessive interference which they say is exerted by the supreme, over the proceedings of the provincial governments, especially in matters of expenditure, and they particularly denounce the system under which it is necessary for a provincial government to obtain the sanction of the Government of India for making any addition to its permanent establishments, even to the extent of an extra clerk or office messenger. It requires, however, no great experience of Indian finance to perceive that, so long as the central government remains responsible for the finances, a strict control over the expenditure is absolutely necessary; and that, unless the details are carefully and jealously watched, economy is impossible. If the Supreme Government did not look after the expenditure, no one else would. Almost any rule may be made to appear absurd by pressing an extreme instance, and wherever the line might be drawn at which the power of sanction should be deputed to a subordinate authority, there lies an apparent inconsistency in the contrasted cases immediately above and below it.

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is faulty,

Still, that there exists a defect somewhere in the relations between the central and subordinate governments is very generally felt. The latter make no secret of their dissatisfaction at the manner in which they conceive their power of action to be needlessly restricted. The reproach is echoed in the Indian debates of Parliament, and even the great authority of Lord Salisbury's opinion has been expressed, to the effect that there is too much centralisation, and that the freedom of executive action throughout the country is paralysed by needless references to the central government. And that the evil does exist, and is a very serious one, if only on account of the feeling of irritation and antagonism which it tends to maintain, no one who has had any practical experience on the subject will deny. But, so far as I am aware, no one has yet pointed out where the remedy is to be found.* I believe, however, that a simple and sufficient one may be devised.

but results from provincial governments not being responsible

In every system of government, the power of control must lie with the keeper of the purse. And so long as the Indian purse is kept by the Supreme Government, we may have provincial administrations with high-sounding names, and a complete equipment of governors and councils; but these functionaries do not constitute governments in the ordinary sense of the word; they are merely the executive agents whom the disbursing authority employs to carry out its behests.

It is from the want of a clear perception of this principle that has arisen, as I conceive, a fundamental error in Indian administration. The provincial governments, great as well as small, have never been entrusted with financial responsibility. The assumption has always been made and acted on, that the revenues of India must be dealt with as one whole; and they have accordingly been always collected as such, and paid into the imperial

* Note to Second Edition. During the past two years, the subject has occupied a good deal of attention in official circles, but no definitive result has been yet arrived at.

treasuries all over the country to the credit of the imperial government. The money so collected is eventually distributed by grants among the different provincial governments, for the various services detailed in the annual estimates submitted by them to the Finance Department of the Government of India.

for contributing revenue,

Thus the provincial governments have no direct share or interest in raising the revenues; indeed, so far as this part of the business of government is concerned, they might almost as well not exist: the mechanical duty of collecting and accounting for the revenue is carried on by the subordinate officials, and the business is one that seldom comes under their notice. If the revenues are prosperous, the financial member of the Governor-General's Council receives the credit; no one is concerned to enquire in what part of India the increase has arisen, nor what officials were instrumental in realising it. Further, the sources at present recognised as proper ones wherefrom to obtain revenue, do not admit of much individual manipulation. The land revenue, the largest item, is collected on fixed principles, only to be altered after much deliberation, and with the sanction of Her Majesty's Government. No governor could materially affect the amount of the land revenue of his province during his brief tenure of office. The same thing is true of most other items. To which considerations may be added, that it is impossible for any one province to show a balance-sheet of its proper income and expenditure; partly by reason of the mutual dependence of all on each other for military defence and levying duties, already explained; and still more from the awkward mode in force of adjusting the military charges, the heaviest item of expenditure. The cost of the Bengal army is charged to an impersonal head, styled the Government of India; which, having no territory attached to it, is credited with no appreciable share of receipts; the cost of the Madras army is charged to Madras, although only a small part of it is serving in

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that province; and that of Bombay to Bombay. Thus two provinces are charged with much more than their fair share, while all the rest get off without any charge at all. The exhibition of anything like a real provincial surplus or deficit is thus quite impracticable. The confusion imported into Indian finance by maintaining this fiction, that the Madras and Bombay armies are a proper part of the establishments of those provinces, is another reason, if one were wanted, for abolishing the presidential system, and centralising the army administration.

nor for regulating expenditure within income;

The foregoing considerations suffice it is presumed to explain why the different provincial governments should feel and exhibit little or no interest or sense of responsibility in the raising of the revenues. They have, on the other hand, a very lively interest in the expenditure; but the mode of conducting that expenditure is equally opposed to the cultivation of habits of independence. The provincial governments do indeed nominally prepare each their provincial estimate for the greater portion of their civil charges, the aggregate of which forms the imperial estimate for the same items; but, even in this respect, little or no option is really left to them. The army estimates, as already explained, are prepared under three arbitrary heads, which in no way represent the provincial distribution of the troops, and for the amount of which the local governments are practically in no way responsible; while of the civil charges, those for the imperial departments—the telegraph and post office—are excluded; and even as regards the remaining heads, the estimates are not really framed by the provincial governments. They cannot increase a single item of the public establishments without the sanction of the central government, and without such previous sanction the estimates cannot be altered; so that the estimates, when they come up to the Government of India, merely represent the charges which have been *already considered and sanctioned by it.* With respect therefore to this branch of their affairs, the

functions of the provincial authorities have none of the attributes usually understood to be connoted by the term government. They occupy, in fact, merely the same position with respect to the central government, as does a public department in England, the Post Office for example, with respect to Her Majesty's Government represented by the Treasury. They constitute in effect merely an executive agency for collating the Indian expenditure in a convenient form, and in respect of these duties they would be more justly regarded as provincial departments than responsible governments.

they are in financial matters merely agents of central government.

On the other hand, the provincial governments have a direct and lively interest in the spending. Administrations are necessarily judged by results, and—not to mention that a governor who scatters money freely is sure of at least a certain kind of popularity—good administration in India involves a liberal expenditure. To appreciate the force of this motive it must be borne in mind, that the state outlay in India is not determined by abstract wants, but by the extent of the income. The demands for improved administration in every branch of the public service are so constantly maintained, as fully to anticipate the progressive improvement of the revenues. A surplus to be devoted to reduction of taxation or debt is a thing not to be looked for in Indian finance. The essential condition of the annual budget in that country is, that the expenditure shall be adjusted to agree with the income; and the share of this expenditure to be appropriated to each province is regulated by the supposed relative intensity of its requirements. This is especially the case with regard to the expenditure on public works, which is now, after the army, the largest head of outlay. and the regulation of which constitutes a most important element of Indian finance. The means of comparison between the claims preferred from different parts of the country, of the kind which are usually available in dealing with the other heads of service—civil establishments and

Resulting tendency to extravagance in expenditure.

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so forth—are here almost entirely wanting. The provincial government looks only to the wants of its province, and, as these are practically unlimited, the problem constantly set before the central controlling authority is, how most fairly to apply a strictly limited grant in partial satisfaction of demands of quite indefinite extension. Even if the available surplus of the year were supplemented by a loan, the conditions of the case would not be altered. No amount of money that could, in practice, be made available, would ever suffice to satisfy the claims preferred to share it. It can hardly be otherwise than that the relative importance of these claims should sometimes be estimated rather by the importunity of the different applicants than by their intrinsic weight; and thus it will be apparent that, while each government has but little direct interest in the amount of its contributions to the general purse, it not only has a keen interest in maintaining the most liberal rate of expenditure possible, but the amount it gets to spend will depend in great measure on the persistence it displays in knocking at the door of the imperial treasury. Each government feels that moderation in asking will not produce a surplus, but that the money which might have been obtained for its own province will merely go to some less considerate applicant. It also feels assured, on the other hand, that any individual extravagance which the Supreme Government may be persuaded into allowing will not be recorded against it, but will be merged in the general accounts of the country, for a deficit in which the financial member of the Supreme Government is alone deemed responsible. Under these conditions it is not surprising if the appropriation of the public revenues among the different provinces, practically assumes the form of a scramble for the public purse, the largest share often falling, not to the province which needs it most, but to that which succeeds in attracting most attention to its wants.

So long as this faulty system is maintained, it is impossible that the relations between the Indian govern-

ments can be otherwise than unsatisfactory. The provincial governments will continue to complain of the parsimony of the Supreme Government, and the detailed interference exercised by it over their concerns; the latter will vainly look for the exhibition by the former of that lively interest in the financial condition of the country, and that loyal co-operation in the maintenance of economy, which can only be engendered by a sense of responsibility. A radical change of system appears necessary to bring about a proper relation in matters of finance between the two authorities.

Opposition of interests between supreme and subordinate governments.

The kind of change to be made will readily be perceived, so soon as the conditions of the case are clearly apprehended. The provincial governments have to be invested with a share of financial responsibility, and for this end the existing financial system should be reversed. Under this view, the revenues of India, instead of being dealt with as one income, collected into the imperial treasury, and thence distributed among the different provincial governments, should be regarded as distinct provincial revenues. Each province should be charged with its quota of the general expenses of the empire, which it should be required to contribute to the imperial exchequer. The remainder of its income should be left at its own disposal.

Proposed remedy. Financial responsibility to be shared by provincial governments, by separation of imperial and provincial expenditure, and charges.

The items of imperial expenditure for which contributions would be required consist of—1. The home establishments, and charges disbursed by the Secretary of State; 2. Interest on Indian debt; 3. Establishments of the Government of India; 4. Diplomatic establishments; 5. Army; 6. Imperial services—Post-office and Telegraph departments; 7. Interest guaranteed on railway capital; to which must be added, 8. Grants in aid to some of the poorer provinces.

Nature of imperial charges,

The advantage that would be gained, in simplicity and accuracy of account, by bringing the military charges of the country under one head, has already been pointed out. This reform would naturally follow the fusion of

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military establishments which has been advocated in the foregoing chapter of this work. The post-office and telegraph charges are already dealt with in this way. As regards railways, the interests which the different provinces intersected by the main lines have in them, are too intimately mixed up to admit of separation, or of the determination of the share of state outlay on them, equitably debitable to each province. Moreover, the direction given to many of the lines was determined on political grounds. It is, therefore, impossible to divest Indian railways generally of their imperial character; but there may be some small lines, as that in the south of India, which runs through the Tanjore and Trichinopoly districts, which are perhaps of a wholly local character, and might be treated accordingly.

including aid needed by poorer provinces.

Grants in aid will be necessary to assist the poorer and younger provinces, of which the surplus revenues are at present inconsiderable, but where a liberal expenditure for good administration and public works may be politically expedient, or may offer a prospect of proving an advantageous investment of capital. The amount to be bestowed in this way can be determined only by the Government of India.

Revenues to be dealt with provincially; with certain adjustments to be made by supreme government.

With respect to the revenues, there are certainly some which may be deemed to be of an imperial nature, such as the customs, their collection within certain provinces being, so to speak, an accidental circumstance, which does not entitle those provinces to claim the sums collected. But, although the tariff must always be uniform for the whole country, there are advantages in giving the executive government, which is responsible for their collection, a direct interest in the amount; while it has to be remembered that there will be a sufficient means of adjusting the claims of different provinces to miscellaneous revenues, in the allocation which has to be made of their respective shares of the expenditure, as well as of the additions to be given to the revenues of those which have no surplus in their own

Extent of control reserved by central government.

balance-sheet. This distribution of expenditure will be obviously somewhat difficult, and must always be made in a more or less arbitrary fashion; by which is meant, not that it should be done at haphazard, but that the different considerations which enter into the calculation are of too indefinite a nature to be determined by any fixed rule. The proportion of the whole army which can be deemed to be maintained for the sake of each province respectively; the allowance to be made to one province on account of customs duties levied in another; the share of benefit to be debited to each of several provinces for a railway intersecting them all; the special allowance for its public works due to a country like Burmah, which lies beyond the scheme of Indian railways, and does not participate in the benefits of the taxation levied for providing them, of which it has contributed a part; all these and many more elements in the calculation do not admit of being appraised in numbers which would furnish an arithmetical solution commending general assent to its correctness. In this sense, the adjustment must needs be arbitrarily made, and made by some central authority, whose decision must be indisputable and final.

Result anticipated from proposed change.

This is the reform which I venture to recommend, as calculated to establish the relations of the superior and subordinate governments of India on a just and rational footing. The effect of it would be that, for the first time, the provincial governments would be invested with financial responsibility, and be put in a position to feel the same interest for the financial success of their administrations, that the Government of India now feels for that of the whole empire. Their sympathy would thus be enlisted towards developing the revenue, as well as in obtaining the best possible result for their outlay, especially the outlay on public works. They would then obtain a clear perception of the fact, which now is constantly before the notice of the central authority, but

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seems to be too often lost sight of in other quarters, that schemes must be relatively important, as well as merely promising in themselves, to render them justifiable undertakings.

Second proposed reform. Substitution of diversity for uniformity in taxation.

As a natural consequence of this responsibility being placed upon them, the provincial governments would soon bestir themselves to discover suitable modes of taxation, a duty at present falling wholly on the central government. In this change is to be found the root of the second great reform which appears to be needed. Heretofore, it seems to have been accepted as a necessary condition, that all taxation should be uniformly and universally applicable to the whole peninsula. Be it an income-tax, or a licence-tax, or a stamp-duty, it appears to have always been assumed, as a matter of course, that it must be levied everywhere, and everywhere in the same way. But a little consideration will, I conceive, make it clear that exactly the opposite principles ought to guide the Indian financier.

Objections to uniform taxation. No tax everywhere suitable.

In the first place, no tax that can be named is suitable to the conditions of the whole country. The land-tax—even if it be regarded as a tax, instead of what it really is, the rent of the land—does not form an exception to the truth of this proposition, since it is raised in very different ways in different parts of the country, as a permanent quitrent in highly cultivated tracts, and as a rate liable to further assessment in less advanced ones. But the impropriety of this uniformity appears much more markedly in the case of the taxes first levied in more recent times. The income-tax appears to be a very proper source of revenue in a country like Bengal, where the moneyed classes principally derive a fixed income from the land—having no further liability to Government in respect of it, on the one hand, and being restricted by their engagements with their under-tenants from making further demands on them on the other. In Bengal, too, commerce has become developed, and there is a considerable accumulated capital, with a large popu-

lation deriving their wealth from trade. But an exotic like the income-tax is surely quite unsuitable to the circumstances of a country like the Punjab, where the whole population is agricultural, and the land is largely held by village communities, with the minute subdivision of property found in company with this description of tenure, and where, moreover, the Government looks to a further increase of revenue from the land, as cultivation extends. As a matter of fact, the tax was not levied in the Punjab in the form originally provided, but lump sums were raised from the towns, and the country population escaped the imposition. The licence-tax is also plainly an unsuitable tax to impose on the agricultural classes, and is therefore quite inapplicable to a very large part of India. The existence of a large body of traders and followers of professions is a necessary condition for the imposition of such a tax, if it is to produce any appreciable amount, and it is therefore an appropriate impost only in those parts of India where such classes are numerous. The stamp-duties are similarly quite unsuitable for universal application. They are effective, and probably beneficial, in those countries where a certain degree of civilisation is found, accompanied with a highly litigious spirit; but the machinery of stamps is altogether too refined for the primitive and simple races which people many parts of the continent. Yet the law ordinarily recognises no distinction of place or person, and the result is that, in many parts of India, the law is habitually disregarded, and the tax almost wholly unproductive.

Political danger of uniform taxation.

Another great objection to this system of imperial taxation, is the political danger involved in enlisting the sympathies of all the races and nations of the country in opposition to the Government on one particular point. It was this danger which led to the abandonment of the licence-tax of 1861, after it had become law; while, when the Act of 1867 was passed, such an extensive schedule of exceptions was made, in view to avoiding this danger,

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as to render the proceeds of the tax of comparative insignificance. The poorer classes have been exempted, and so have no interest in opposing it, but the tax in consequence fails of its object. An Indian tax, to be productive, must reach the pockets of the poor, because there are so few rich. This is the reason why the land-rent or land-tax, which the smallest peasant proprietor has to pay, is almost as productive as all the other sources of revenue put together, and why the duty on salt brings in more than twice as much as the rest of the customs.

Uniformity of taxation, a peculiarity of Indian finance.

This uniformity of Indian taxation is quite peculiar to that country. Where a country is governed through a representative body, it may be equitable that those who furnish the representatives should share equally in the burdens imposed. But the people of India serve under a despotism, and their bond of union, of service under the same government, is, so far as they are concerned, a political accident. The different people of that country have nothing else in common; race, language, climate—all vary in different parts of the empire. It may be observed, moreover, that even equal representation and equal taxation do not always go together, as is seen by the case of Great Britain and Ireland. Of all the evils of centralisation, the worst is surely to be found in the practice—which, it seems always to be taken for granted, is the only possible one—under which the financial member of Government announces, from his seat in the Supreme Council, that on a given day a certain impost shall be levied throughout the length and breadth of the land. Nothing of the kind has been seen before, since the time when there went out a decree from Cæsar Augustus, that all the world should be taxed.

A diversity of imposts preferable.

Our policy in regard to Indian taxation should therefore, I venture to think, undergo a radical change; involving the abandonment of the idea of taxation of universal application, and the encouragement of the greatest possible diversity of imposts, adapted to the

diverse conditions of the different people of India. This principle is already acted on, though it may not have been distinctly recognised, in respect to the great item, land revenue, which, although collected under authority of the imperial legislature, is collected in various ways in various parts of the country, and is only so far of universal application, that land revenue of some sort is everywhere demanded. What has now to be done is to extend the principle to other items of revenue, and this may be best effected by transferring the duty of creating taxes from the central to the provincial governments. Fresh taxation may become necessary, either to furnish the quotas levied by the central government on the different provinces—when the former would merely signify the amount to be contributed, leaving the provincial government to determine the mode of obtaining it; or it may be raised by the provincial government, of its own motion, for extending public works, improving the courts of justice, or other administrative purpose. In either case the local governments, instead of being merely the agents for executing the measures of the central government, would take the initiative, and would thus acquire a direct interest in financial success now altogether wanting. As a necessary consequence, diversity of taxation would soon make its appearance throughout the different provinces; and, while the political dangers attending the present system would be avoided, a more rigorous and yet more appropriate taxation would necessarily follow. At present, so far from aiding, the tendency is rather for the provincial authorities to throw the onus on the Treasury, by referring all the difficulties and objections which arise to that department to settle.

Machinery necessary for raising taxes.

As to the mode of raising taxes, four of the larger provinces already possess, in their Legislative Councils, the needful machinery; and under the Indian Councils Act of 1861, similar bodies may be established at Allahabad and Lahore, for the North-West Provinces and

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Punjab, at the pleasure of the Supreme Government. For the smaller provinces, where Councils may not be yet suitable, the legislative powers of the Supreme Government would still be necessary, but it would rest with the provincial governor to prepare and frame the measures to be laid before it.

Effect of proposed reform on estimates and accounts.

The effect of this proposal would be, that the provincial estimates and accounts, instead of being merely a subdivision of the estimates and accounts of the Supreme Government, in what is quite an arbitrary fashion, would henceforward possess a really provincial character. The 'receipt' side would be purely provincial, the local government being responsible both for the produce of taxes already in force, and for the amount to be derived from new ones. On the 'expenditure' side there would be one entry of the contribution to be paid by the local government as the provincial share of the imperial expenditure—for debt, the army, imperial establishments, and so forth: the rest of the items, viz. those for civil establishments and for public works,* would be framed at the discretion of the local government. But the most radical part of the change would consist in this, that whereas at present the provincial government sends up its estimates of revenues and expenditure, as returns unconnected with each other, without regard to whether or not an equilibrium be established between the two—the task of establishing that equilibrium being left to be accomplished by the Supreme Government, upon the aggregate of the provincial estimates rendered to it—the provincial estimates would in future be accompanied by a balanced account of receipts and charges; and it would be only the balance remaining of its provincial revenue, over and above its quota to the imperial treasury, which would

Radical change of principle involved.

* Public works expenditure in India includes that on barracks and other military works, which is of an imperial character. This is done because the same agency—the Public Works Department—executes both the civil and military works undertaken by the state. But the separation of the two classes in the accounts is of course merely a matter of detail.

constitute the available ways and means for its provincial expenditure.

Advantage to be derived from the change.

With the introduction of such a partition of duties, would terminate that interference of the Supreme Government in the detailed charges for civil establishments and other items of provincial expenditure, which—especially in those for public works—is rendered necessary by the present system, but which occupies so much of the time of all parties concerned, and produces the irritation of feeling, and the complaints against over-centralisation, which now find an echo in the Press and Parliament. A proper distribution of executive power in civil matters would follow a distribution of responsibility. It would still rest with the Government of India to require a certain adherence to uniformity in the rates of official salaries, and to exercise that degree of control which it might consider necessary in the interests of the State, and which is implied by the very existence of a superior and subordinate authority. But the functions of its finance department would be limited to determining the distribution of the imperial quota to be subscribed by the different provinces, and in auditing, compiling, and superintending the provincial accounts.

Financial responsibility of central government altered, not lessened, by change.

Not, however, that it is to be inferred that the duties of that department in this respect would be light or easy, because thus limited, or that they would be in reality at all less important than they are now. Close and searching scrutiny of the provincial expenditure would clearly be necessary, because, unless that expenditure were kept within the estimates, the surplus available for the imperial exchequer would be invaded. In fact, the imperial and provincial accounts would still be intimately connected with each other, and the central authority, which is responsible for the safety of the empire, must necessarily continue to be primarily interested in maintaining the integrity of the finances. This relation between finance, and military and political security, must hold

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good, whatever system of administration be enforced. It may be useful to add here, that no material alteration in the mode of keeping the Indian accounts is contemplated to be involved in the scheme. While the provincial authorities would be vested with greatly extended powers of spending money, the mode of exhibiting that expenditure should be also quite unchanged. Centralisation and complete uniformity of Indian accounts throughout the country is absolutely essential, if they are not to fall into hopeless confusion. There can practically be only one public treasury in each district; and when it is remembered that the disbursements for the army and other imperial services will be made in various parts of the country, and that there must be a constant interchange of money transactions between the different provinces, it will be apparent that the provincial and imperial accounts are too intimately connected to render any plan of exhibiting results practicable which is not based on complete uniformity. The finance and account department is essentially one that needs to be maintained under the direct management of the central government.

Uniformity and centralisation of accounts still necessary.

It will be as well further to notice distinctly—what, however, will perhaps have been already made sufficiently clear—that the general effect of the proposed reform will be by no means towards a decentralisation of government in India, in the sense of weakening the authority of the central administration. Unity of action, and unquestioned obedience to the orders of the supreme authority, are quite essential conditions for the maintenance of the British rule in that country on any terms. The proposed alterations of system would leave the relations of the chief and subordinate governments quite unchanged in this respect; indeed, the distribution of responsibility resulting would rather tend to strengthen than relax the bonds of administrative discipline. The existing system places the control, in theory, on the

Effect of proposed measures on relations between the governments.



central government, by ignoring the existence of any power and responsibility on the part of the local governments, to a degree that, in practice, necessitates a certain latitude of interpretation. The habitual relaxation of rule thus involved may naturally engender a spirit of cavilling against the restraint of a central authority, which would disappear when the relations of the two authorities were adjusted on a more reasonable footing.

Distinction between proposed provincial revenue and existing local funds.

In conclusion, it may be useful to add a few words on a point regarding which some misconception might otherwise occur. It may be said that, in the foregoing chapter, no mention has been made of the fact that a system of provincial finance is already in existence, in the management of what are now termed the 'local funds,' which is regulated by the provincial authorities, and does not come under the control of the central government. These local funds are, however, local in a more restricted sense than that of being provincial, as opposed to imperial. They are made up of the aggregate of the different district and municipal funds of the province, held in trust by the Government. Although the aggregate amount of them is large, they are distributed, by the nature of the trust, over a great many districts, and over a variety of services; and the control over them of the provincial government is practically limited to seeing that they are applied to the purposes for which they were raised, which require in most cases that they shall be spent on the districts and towns which respectively contribute them. The mere bringing together of these receipts and charges, therefore, into what is termed the local fund account of each province, although useful for statistical purposes, does not indicate the amount at the disposal of the provincial government, any more than the real income of the British Government would be exhibited, were the annual budget-estimate of the Chancellor of the Exchequer to include, on both sides of the account, the local rates levied throughout the counties and towns of

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the United Kingdom. The so-called local budgets are at present mainly statements of the provincial trusts, and only to a very small degree of the income available at the disposal of the provincial government.

CHAPTER IV.

THE PROVINCIAL GOVERNMENTS.

CHAP. IV.

Argument in second

In the second chapter of this work, the endeavour has been made to expose the incorrectness of the popular notion—which, however, is not confined to the English public*—that British India is divided into three presidencies, and to explain the actual division of that country, namely, into a large number of provinces, each with its own separate administration. Of these provinces, the title of presidency has continued to be bestowed on two, not the largest or most important, long after it has ceased to be appropriate for them; the third presidency has no existence in fact. If by the expression 'Bengal Presidency' be meant the territory described in Acts of Parliament as the 'Presidency of Fort William in Bengal,' a large part of the country would be altogether excluded from the division; if it were applied to all the parts of British India not comprised by the Madras and Bombay Presidencies, it would be made to comprehend various isolated territories in different parts of the peninsula. Thus this mode of division was found to be in no sense appropriate to the fact. The anomalies and inconveniences arising, in the course of administration, from the maintenance of this obsolete nomenclature, were also

* In a parliamentary paper prepared in 1857, by the East India Company, Mysore is entered as a part of the Madras Presidency, with which it is connected in the same sort of way that the Channel Islands are with France. And in a return issued from the India Office last year, the Hyderabad Contingent is entered as a part of the Madras Army, with which it has no more to do than the Punjab Force has.

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stated; and it was urged that the time had now come for sweeping it away, as well as for abolishing all presidential distinctions in the Civil Service and Army.

and third chapters clears the way for

In the last chapter it was sought to explain how the existing financial system, by depriving the provincial governments of any share of financial responsibility, and consequently of real power, placed an undue burden on the Supreme Government. And it was urged that this state of things should now be replaced by a different system, based on a change in finance, which, without impairing the control and authority of the latter, would tend to enlist the sympathies of the provincial governments in the cause of economy, and would establish a proper relation and gradation of power between those authorities.

passing in review the organisation of the provincial governments.

Assuming that so much has been satisfactorily established, it will be useful to turn now to the different provinces and their governments, and to consider how far they are suitably organised for taking their place in the proposed federation.

Government of Bengal,

The first thing that will probably strike the enquirer is, that while the Bombay and Madras provinces are administered each by a Governor and Council, Bengal, which is almost twice as large and populous as either of them, is presided over by a subordinate officer, styled Lieutenant-Governor, without a Council. The cause of this anomaly has already been explained. The government originally appointed to Bengal was fully equipped with the same administrative machinery as was supplied to Madras and Bombay; but there was gradually imposed on it the care of all India, in addition to its original jurisdiction; and the present provision, made by the Act of 1853, for the wants of Bengal was, in fact, a makeshift arrangement, introduced when the want of a government of some sort for that province had been so thoroughly exposed in the previous Parliamentary enquiry, that a change could not with propriety be resisted any longer.

The Act of 1853 legalised the appointment of a Governor for the Presidency of Fort William, but left it optional with the Court of Directors to appoint, instead, a Lieutenant-Governor over the Bengal part of the Presidency. The latter plan was adopted, partly perhaps under the idea that it would leave the Governor-General a greater share of authority in that province, and partly in view to economy. There may no doubt be a small saving: a Governor receives 12,000*l.* a year, a Lieutenant-Governor 10,000*l.*, and the latter has a smaller household. But although the one holds a higher official position than the other, and is nominated by the Crown, while the Lieutenant-Governor is appointed by the Governor-General, with the approval of the Crown, and in popular estimation the former occupies a more powerful and important position, the office of the Lieutenant-Governor of Bengal has really much more substantial authority attached to it than that of Governor of Madras or Bombay, and is inferior only in emolument and dignity.

more onerous than that of Madras or Bombay,

I. It has already been explained that in financial matters all the provincial governments are precisely on the same footing, in having no authority whatever. The Government of Madras cannot appoint an extra office messenger, on ten shillings a month, without the leave of the Supreme Government—neither can the Lieutenant-Governor of Bengal. So far there is no difference.

involving as great responsibilities,

II. The Government of Madras, as well as that of Bombay, has certainly the superintendence of an army, but, as has been already shown, this superintendence is more nominal than real. It does not regulate the pay, discipline, nor even the strength of the army; it does not even determine the distribution or quartering of the greater part of the force, which is stationed without the limits of the province. With patronage in connection with the European forces it has, of course, no concern; appointments to the native army are made by the Com-

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mander-in-Chief. It has certainly the patronage of the army civil departments, commissariat, ordnance, &c.; but in these promotion goes almost wholly by seniority, so that the patronage is virtually reduced to nominations of juniors to first appointments.

and more extensive authority and patronage.

III. In all branches of the civil administration, the authority and patronage of the Bengal Lieutenant-Governor is much the greater, by reason of the much greater extent of the province and the different administrative departments attached to it. It has already been stated that the Bengal division of the Bengal Civil Service is virtually a separate service. This is directly under the Lieutenant-Governor, and is the largest official body in India, enjoying also the largest proportion of higher appointments.* The same thing holds good, not only in the Civil Service proper, but also in all branches of the civil administration—police, education, law, public works, &c. Bengal is divided into 35 districts, exclusive of extensive non-regulation territories attached to it, against 19 in Madras and 14 in Bombay; and there are more law-courts, schools, jails, and public establishments of all kinds under the Bengal Lieutenant-Governor than in any other province in India.

IV. In all matters of patronage the Government of

* The Indian Civil Service is nominally divided as follows, according to a recent return:—

Bengal Civil Service . . .	580
Madras „ . . .	174
Bombay „ . . .	162
Total . . .	916

The actual distribution is:—

Serving under Government of Bengal . . .	272
„ „ North-West Provinces .	192
„ „ Madras . . .	172
„ „ Bombay . . .	161
„ „ Punjab . . .	57
„ in smaller Provinces	48
„ directly under Government of India . .	14
Total	916

Bengal is quite as much unfettered by the Supreme Government as are the Governments of Madras and Bombay:* and while the responsibilities of the latter are shared between the Governor and his Council, the Bengal Lieutenant-Governor is absolutely uncontrolled in this respect by anyone. In fact, he has the largest patronage at his disposal of any official in the country. From whatever point of view it may be regarded, the Government of Bengal is by far the most important in India, after the Supreme Government; and there appears not even a show of reason for maintaining the appearance of nominal subordination, and actual inferiority to the other great governments. There can be no doubt that the appointment should be placed on at least an equality with that of the other Governors, and that the staff of ministerial offices should be strengthened to a degree commensurate with the wants of that enormous country.

And would be more fitly conducted by a Governor than a Lieutenant-Governor.

One consequence of this change would be that, whereas the Bengal Government is now filled, under the provisions of the law, by a member of the Indian service, it might henceforward be filled up by a stranger to the country, and the special knowledge and administrative training which have produced the signal results displayed in the North-West Provinces and Punjab in past years, would no longer be available. On the other hand, this personal experience is not always without disadvantage. It is scarcely possible that a man should be raised from the ranks of a service in which his life has been passed, without carrying more or less of bias for or against some of his old associates, which may be displayed very markedly in the subsequent distribution of patronage. Nor does it always follow that long residence in the country should necessarily confer great practical knowledge or experience of the country and people. In the case of the European merchants and other non-official classes

Comparative advantages possessed by Governors with or without Indian experience.

* One small exception must be mentioned: the Government of India nominates to a few of the higher appointments in the Bengal Public Works Department.

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living at Calcutta and Bombay, it is common to meet men who, after a life spent in India, cannot make themselves understood in the simplest vernacular phrases, and are utterly ignorant of the history, usages, and social condition of the country; and so a Government servant, if he has had no experience as a district officer, may have passed a successful career through all the stages of the secretariat, yet have gained but little practical acquaintance with the people of India. Such a career is, however, an excellent business training, and constitutes a most efficient test of industry and administrative capacity—qualities in which an untrained man, or even a successful colonial Governor, who has earned his popularity by a dignified and courteous performance of the ceremonial duties of office, but who has perforce left all business to his responsible advisers, may prove wholly deficient. The amount of business thrown on Indian Governors renders hard and persistent work an essential condition of successful administration. If the Governor be deficient in this respect, the want cannot be atoned for by the exertions of those below him; without this, reform and the business of the country stand still.* To which may be added, that the tendency manifested sometimes, in Parliament and the Press, to underrate local experience, as if it were the reverse of useful, is manifestly unsound. Some one must possess it; and if the Governor has it not, it must be exercised by some irresponsible subordinate. The case of the Governor-General is not apposite. That high personage is not, or should

* It is a somewhat curious circumstance, that the four Lieutenant-Governors appointed to Bengal, since the Act of 1853 was passed, have all run through exactly the same course of official promotion, viz., as Secretary to the Governments of Bengal and of India in succession, and Member of the Governor-General's Council. These posts are precisely those which would be calculated to produce in the holders the excellences and deficiencies referred to. They involve an experience in business of the largest kind, but no acquaintance with the people and their language. A Governor so trained might, for instance, be almost as incapable of carrying on an ordinary conversation with a native gentleman as one appointed direct from England.

not be, engaged on details; moreover, the Supreme Government is better provided with advisers than the subordinate governments; while in statesmen of the class usually appointed to this high office, genius often supplies the place of experience—the acquisition of detailed knowledge seems to be with them intuitive. On the whole, the conclusion would appear to be in favour of appointing Indian officials to these posts; but, should the final decision be to make them open appointments, it may be remembered that the prizes of the Governments of Madras and Bombay have always been freely conferred on distinguished members of the Indian service, and so no doubt would be that of Bengal.

Should the Bengal Governor have a council?

Whether the Governor of Bengal should be aided by a council is a question which has already been publicly discussed. One of the strongests arguments in favour of a government by councils will be best stated in the following words of Mr. J. S. Mill ('Essay on Representative Government'):—'These councils are composed of persons who have professional knowledge of Indian affairs, which the Governor-General and Governors usually lack, and which it would not be desirable to require of them. As a rule, every member of council is expected to give an opinion, which is of course very often a simple acquiescence; but if there is a difference of sentiment, it is at the option of every member, and is the invariable practice, to record the reasons of his opinion, the Governor-General or Governor doing the same. In ordinary cases the decision is according to the sense of the majority; the council, therefore, has a substantial part in the Government; but if the Governor-General, or Governor, thinks fit, he may set aside even their unanimous opinion, recording his reasons. The result is that the chief is, individually and effectively, responsible for every act of the government. The members of council have only the responsibility of advisers; but it is always known, from documents capable of being produced, and

Mr. Mill's opinion.

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which, if called for by Parliament or public opinion, always are produced, what each has advised, and what reasons he gave for his advice; while, from their dignified position, and ostensible participation in all acts of government, they have nearly as strong motives to apply themselves to the public business, and to form and express a well-considered opinion on every part of it, as if the whole responsibility rested with themselves.

'This mode of conducting the highest class of administrative business is one of the most successful instances of the adaptation of means to ends which political history, not hitherto very prolific in works of skill and contrivance, has yet to show. It is one of the acquisitions with which the art of politics has been enriched by the experience of the East India Company's rule; and, like most of the other wise contrivances by which India has been preserved to this country, and an amount of good government produced which is truly wonderful considering the circumstances and the materials, it is probably destined to perish in the general holocaust which the traditions of Indian government seem fated to undergo, since they have been placed at the mercy of public ignorance and the presumptuous vanity of political men.'

There can be no doubt, moreover, that the presence of a council before which the governor has to make good his case is a strong safeguard—almost the only one, against jobbing and precipitous action. The only publicity which occurs in the proceedings of an Indian government is that which attends the discussions at the council table; and if there be something lost in rapidity of execution, they at any rate prevent the gross mistakes in judgment which a single man, left to himself, may occasionally commit. The argument often advanced on the other side, that boards are screens behind which responsibility is lost, seems to be founded on a mistaken notion. A council is not a board. The law, which gives the president power of overruling his council, places the

Argument against councils based on misconception.

full responsibility on him for all its proceedings. This has been explained in the foregoing quotation, and it is also well put in the words of the Marquis Wellesley, in the following extract from a letter which, although written seventy years ago,* is perfectly applicable to the present system of Indian councils :—

Opinion of Marquis Wellesley on this point.

'The governor by law, under all circumstances, is responsible for the administration of the affairs of the government. He is not only authorised, but bound, to act on his separate opinion, distinct from that of the council, in all cases of deliberate difference on subjects of importance. A deference to the opinions of the members of council, or an inclination to conciliate their co-operation in the general system of the government, will not justify the governor in any departure from his own conscientious judgment in any matter affecting the public interests; for the letter and spirit of the law have rendered it not only his right, but his duty, to act on his own separate judgment, wherever, in cases of magnitude, it shall be clearly and decisively different from that of the council. If the governor should submit his opinion to that of the council, he alone is, and ought to be, responsible for the consequences of any act done under such circumstances. The power of acting separately is an active trust in the hands of the governor, and he must be responsible, not only for its abusive exercise, but for suffering it to lie dormant, whenever the public service requires it to be called forth.'

A council admits of division of labour.

It may also be urged, in addition to the advantages claimed for the institution by Mr. Mill, that the division of labour which a council admits of, each member taking a department of public business, is a most important addition to the working power of government within great provinces. In fact it is not too much to say, that

* Letter from the Earl of Mornington to the Governor of Bombay, dated April 16th, 1800.—*Wellesley Despatches.*

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the affairs of Bengal, if dealt with as they should be, are more than a single head and hand can dispose of. But the question for or against council will be practically settled, if the governorship be thrown open. A council would become an absolute necessity, were the governor a man new to the country.

Constitution of proposed council.

It is easier, however, to pronounce on the value of councils, than to say how they should be constituted. Those at Madras and Bombay consist of two civilians, and the local commander-in-chief, who, however, has not always taken an active share in the proceedings of the government. But although the civil * branch of the administration, which has always been thus strongly represented, is unquestionably the most important, it is not the only one, as it was when the councils were first established on their present footing. Till within the last few years the scheme of administration comprehended only the system of revenue and magisterial districts, and the provision of law courts; but the interests connected with the extensive system of public works now in progress throughout the country, and with the supervision of the guaranteed railways, certainly call for a distinct representation of some sort within the government. Further, considering the large mercantile community of Calcutta; the extent to which Bengal is occupied by European settlers, who are much more numerous here than in any other part of India; and the important interests they are concerned in; a non-official member, especially an English lawyer, might probably be a very

* The word 'civil' is here used, for want of a better, to signify the departments, judicial, fiscal, and magisterial, which are administered by the covenanted civil service. But it is used in India, as elsewhere, in opposition to various different terms. The administration is commonly said to be divided into two great branches, the civil and military; then there is what is known as the civil department, as distinguished from the police, educational, public works, &c. This is the sense in which the word is used here. Then again, the Indian accounts are kept under the three main heads, Military, Civil, and Public Works, the word 'civil' including in this case all civil departments except the public works department.

useful element in the Bengal council. One of the chief problems that has engaged of late years, and will continue to engage, the Bengal Government, is how best to reconcile proper encouragement of British capital and enterprise with due protection of individual rights; and the history of the past eight years affords more than one example of cases where such a functionary, unbiassed by service traditions or commercial interests, would have been a useful aid.

Bengal territory inconveniently large.

Whatever be the form of government adopted for Bengal, the country will still be too large to be governed properly from one centre. The difficulty of ruling over forty millions of people, scattered over a territory larger than France or Austria, where there are no representative or municipal institutions, and where the government is a despotism not even controlled by public opinion, is not overcome by substituting three or half a dozen men for one man. Bengal will always be too big for one government to manage. A governor cannot hope, during his term of office, to see even so much as each of the principal districts and towns of his government, much less to make himself thoroughly well acquainted with the country; while the first requisite of moderately good administration in India, supervision of the various officials of all classes by their superiors, is impossible. The first want of Bengal is to be divided into smaller provinces.

Separation proposed of Orissa,

In making such a division, a separation by races naturally suggests itself as appropriate, and for this as well as other reasons the province of Orissa may certainly be advantageously separated from Bengal. The country, now of unhappy notoriety, generally known by this name, comprises only a small part of the great soubah or province of Orissa of the Mahommedan era; nor does it correspond with the province of the same name conferred on the British by the emperor in 1765. The latter was merely the remnant of the soubah of Orissa

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which remained attached to the viceroyalty of Bengal, and comprised little more than the present British district of Midnapoor; the rest of Orissa had, at this time, fallen under the dominion of the Mahrattas. This great country was subsequently conquered by the English, the maritime province of Cuttack in the war of 1803, and the remainder in the war of 1817. The latter part of Orissa, with the southern mountainous portions of the old Mahommedan soubah of Behar, now forms the great non-regulation province styled the South-West Frontier of Bengal. A part of this again has been lately transferred to the newly created Central Provinces. All this great country has however long ceased to bear the distinctive appellation of Orissa, which name, as above stated, is now usually given to that part of it formerly called Cuttack. This province then, the principal seat of the famine of 1866, consists of three regulation districts on the coast of the Bay of Bengal, comprising nearly 8,000 square miles, and a population estimated at about three millions,* together with a wild mountainous territory at the back of about 16,000 square miles, ruled by tributary chiefs, and regarding which very little is known. This latter part is comparatively of very little importance: it is only on account of the smaller portion on the coast that a separation from Bengal appears so important. Cuttack would indeed make but a small independent province as Indian provinces go, but it has no natural affinity with Bengal. The people speak a different language from the Bengalees, and the river system of the country, which takes its origin in Central India, tends to separate it from the delta of the Ganges. Even to this day Cuttack is more easily approached by sea from Calcutta than by land, and at certain seasons it can scarcely be reached at all by either route. This isolation, and

which has no natural connection with Bengal;

* No census has ever been taken in Bengal, so that the population set down for the province, and even for each district, is a mere rough approximation.

especially the difference of language, render a separate administration, of officials stationed permanently in the province, a great desideratum for Cuttack. Should such an arrangement be carried out, the part of ancient Orissa which forms the basin of the Mahamuddy, and has lately been attached to the Central Provinces, might be rejoined to the maritime districts. This, however, is mostly a fever-stricken and tiger-haunted tract, and its final destination is not a matter of much importance. But a very appropriate addition to such a province would be the northern portions of the Ganjam district, on the Madras coast, adjacent to Cuttack, which are peopled by the same Ooriya-speaking race, and are very inconveniently placed for communication with, and supervision by, the distant Government of Madras. The Ooriya portion of the Midnapoor district of Bengal would also with propriety be transferred to the new administration.

of Assam;

The propriety of detaching the great province of Assam from Bengal appears to be universally admitted. This wild but fertile territory, which, with the other great non-regulation tracts adjacent to it, makes up the part of Bengal known as the North-Eastern Frontier, a country altogether larger than England, was conquered from the Burmese in 1825, and added to Bengal, under the idea at that time entertained, that all parts of the British possessions must necessarily belong to one or other of the three Presidencies. It needs hardly be said that it has nothing in common with Bengal: it is, indeed, a non-regulation province, governed by a small commission, mainly of military men. Until late years, Assam remained almost unknown and unthought of, except by the few officials connected with it; but the suitability of the soil and climate for tea cultivation has now attracted English capital and settlers, and led to the discovery that the province requires the fostering care of a vigorous local administration. The commissioner now nominally in charge, possessing but very limited powers of his own,

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must refer almost every matter to the government at Calcutta, whence an answer, in course of post, takes nearly a month to arrive. The superior revenue and judicial authority is placed at the same remote distance. A government for Assam of the form given to the Punjab, Oudh, and the Central Provinces, in each case with the best results, could hardly fail to prove equally beneficial. This would involve a large addition to the staff of officers, and great increase of expenditure; but all experience has shown, that it is scarcely possible to have too many district officers. So long as magistrates are scattered over the country, a hundred miles or more apart, the great bulk of the population has practically no access to them. But if justice is brought home to the people, they are ready enough to avail themselves of it. The number of magistrates' courts has increased fourfold in Bengal during the last fifteen years, but the business of each court has in no way diminished.

and of Behar.

The province of Bengal as now constituted, it may be here explained, is thus made up—

	Square Miles
Bengal Proper	98,000
Non-regulation territory of South-Western Frontier	42,500
	140,500
Behar	24,500
	165,000
Cuttack, or Orissa	24,000
Assam	56,000
	245,000

Thus, even with the proposed deductions, it would still comprise an area of 165,000 square miles, with a population of more than thirty millions; it would be still very much the largest and most populous province in India; and even then it would contain two nations—the Bengalee-speaking race of the Lower Ganges, and the Hindostanees of Behar. This union of two separate races under one

administration is undoubtedly disadvantageous in many respects, since officials are liable, in ordinary course of promotion, to be transferred to a part of the province with the language of which they are necessarily unfamiliar; and it is difficult to exaggerate the evil to suitors, if the magistrate or judge cannot really understand or be understood by them. Against the change there is to be said, that Bengal and Behar had been amalgamated into one province long before the English took possession of it, and that the people are subject throughout to the same land revenue system, and are accustomed to serve under the same form of government; while the public establishments are so large, that it should not be difficult to confine the officials to that part of the province with the language of which they are respectively familiar, and yet to maintain an equal flow of promotion throughout the service, at any rate as regards those officers who come most immediately in contact with the natives.

Bengal would still be the largest Province in India.

On the whole, the balance of advantage would appear to be in favour of the change. Were Behar to be transferred to the North-West Provinces, Bengal would be reduced by an area of about 25,000 square miles, containing some of the finest and most populous districts of the country; but it would still be the largest province of India.

Alteration proposed in Government of Madras.

The province of Madras, even after the transfer of Ganjam above proposed, would still comprise a great variety of peoples, speaking different languages, and springing from different stocks. It contains, therefore, none of the elements for making a nationality. But the Madras Government has been now a long time established; the people of the province, if they have no other tie in common, are accustomed to the system under which they live; and the country is not so large as to render good government impossible. A change in its administration seems however to be called for, which has already been indicated as naturally following the transfer of all

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military administration to the direct control of the Central Government, namely, the discontinuance of the appointment of the local commander-in-chief to a seat in the Council. Under the views now put forward, this officer, as commanding one of the four corps of the amalgamated Indian Army, would be directly under the orders of the commander-in-chief in India. Further, in view of the great importance now attaching to public works in this as in every part of India, the time has come for abandoning the traditionary polity which assumes that the government is concerned only with the affairs arising in other and longer established branches of the civil administration. One of the two Councillors might with advantage be appointed with special reference to this class of business.

Sindh to be taken from Bombay;

The territorial limits of the province of Bombay are susceptible with advantage of considerable alteration, and a project to this effect is now under consideration, involving the transfer of Sindh to the Punjab, and the addition to Bombay of a large part of the Central Provinces. Sindh is separated from Bombay by the Great Indian desert, and the only communication between the two places is by sea, while the former will soon be connected with the Punjab by a railway, and will then be much more conveniently administered from Lahore than from Bombay. On the other hand, the Central Provinces, formed in 1861, although geographically compact, contain a perplexing variety of different races. The southern and western

Nagpoor to be added to it.

parts, including the former province of Nagpoor, which are peopled chiefly by a Mahratta population, are in easy railway communication with Bombay, to which port is shipped all the cotton grown in these productive districts, and they would on every account be fitly joined to the Bombay province, which would thus consist mainly of districts where the Mahratta dialect is spoken. The great cotton district of Berar, which is intersected by the line of railway from Bombay to Nagpoor, would also be much more conveniently governed from Bombay, with which it

is both geographically and ethnologically connected, than from Hyderabad, but treaty obligations with the Nizam require that the Assigned Districts, as they are called, should be administered by the Resident at that place.

North-West Province.

The North-West Province, which may in a general way be defined as the valley of the Upper Ganges, is, like Bengal, an immense plain, watered by that river and the Jumna, both navigable, although in an imperfect fashion, for vessels of small burthen almost throughout their course. Its area, nearly as large as that of Italy, is smaller than the area of the other large provinces, but it is more densely populated than any of these, and more uniformly cultivated: it contains also a smaller quantity of waste land. Its land revenue is the second largest in India, Madras standing first in this respect. Its total revenue cannot be fairly estimated, because the European goods imported into it pay customs duty at Calcutta, and the opium grown in it is sold at that place by the Bengal revenue department. This part of the country has, from time immemorial, given a government to the rest of India.* Here first settled the Aryan race, which supplanted the aboriginal possessors of the country. Here, too, was established the great Hindoo monarchy, which was overcome by the first Mahommedan invaders. Here was fixed the seat of government of the different dynasties of Mahommedan emperors, who retained a partial hold of the Gangetic plain for some time after the rest of their empire had crumbled away. And here are to be found some of the most exquisite of the memorials, which, having escaped the ravages of Mahratta barbarism and English indifference, still attest the taste and magnificence of the Pathan and Moghul rulers.

Its magnitude and importance.

The people of these parts are, if we except the Punjab, which is usually regarded as beyond Indian limits, the

* The country known as the Delhi territory, west of the Jumna, with the beautiful city of that name, has however been transferred from this to the Punjab Province since the Mutiny.

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physically finest, as well as the most warlike, people in India, and have always furnished the greater part of the armies both of the British and their predecessors. If Bengal be the most fertile, this province and the Punjab are politically the most important. Although perfectly flat, it is sufficiently raised above the rivers which water it to be secure from inundation, and is usually free from the visitation of either drought or excessive rain. To these advantages may be added the possession throughout the breadth of the country of, what is entirely wanting in the greater part of Bengal and many other parts of the country, an excellent material for road making; to which cause is chiefly due the fact that the province is better supplied with good communications than any other part of India. This is the only province in India throughout which only one language is spoken.

A council not needed for this province.

The North-Western Province is presided over by a Lieutenant-Governor, who is precisely on the same footing as the Lieutenant-Governor of Bengal; and it might be thought that the same reasons which point to the introduction of a council in the latter country, would recommend one here also. But the circumstances are not quite the same. The North-Western Province has no maritime cities, or great centres of European trade, with large communities of non-official Europeans; the number of English settlers is small; and thus it is not subject to the conflict of class interests to which Bengal is liable. What is here wanted would therefore seem to be rather administrative ability in the government than deliberative strength.

Local experience necessary in its governor,

The business of the government of this province being principally connected with the native population, an intimate acquaintance with the language and customs of the people, the Indian regulations, and the different tenures of land, are essential qualifications in the governor, and are only to be gained by a lifetime passed in the

Indian public service. The idea of appointing a governor from England, without Indian experience, has never indeed been mooted. Such a person in this position would be simply useless, except for the ornamental functions of his office: the government would virtually be wielded in such a case by an irresponsible secretary.

and in that of Punjab.

Similar remarks apply to the Punjab, the government of which is charged with the diplomatic relations necessary with the border tribes; while, for guarding the frontier, there is attached to this province a local army, in addition to the strong garrison of regular troops, entirely under its orders. The government of this province is as distinctly an Indian official post as any appointment in the service.

Importance of Punjab.

The Punjab, which, as well as the North-Western Provinces, is situated beyond the tropics, and is, like the latter and Bengal, a vast plain, enjoys from its northerly situation a more temperate climate than the rest of India, although subject to extreme heat in summer; and being watered by rivers, which, though barely navigable in their upper part, afford great facilities for an extensive system of artificial irrigation, it promises to become, eventually, one of the greatest corn-producing countries in the world. It derives great political importance in the federation of Indian provinces from its frontier position, and the warlike character of its inhabitants, who proved to be the most stubborn opponents ever encountered by British arms in the East, and who now form the most valued element in our native army. An exceptionally large amount of military business is placed on the government of this province, in connection with the extensive garrison stationed there, and its considerable local army. On the transfer taking place of Sindh to the Punjab, that country would comprise the whole basin of the Indus and its great tributaries.

Form of the administrations

Neither the Punjab nor the North-West Province have legislative councils; but the Act of 1861 provides for

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of these provinces.

their formation, if necessary, which would be the case were the duty of initiating taxation placed on the local governments. The North-West Province, like Bengal, has a Board of Revenue, and a High Court of Judicature with a bench composed of civilians and barristers. In the Punjab the head revenue authority is a single officer—termed Financial Commissioner—whose duties are however at present limited to superintending the collection of a part of the revenue. On the system being introduced which is here advocated, this officer would become a réal financial minister or commissioner of the province. The head court of judicature in the Punjab is termed the Chief Court, and was established in 1865 by an Act of the Government of India, and not, as were the different High Courts, by Act of Parliament and royal warrant. The administrative system of the Punjab and other non-regulation provinces will be referred to more particularly in another part of this work.

Title of lieutenant-governor unsuitable for head of their governments.

One change appears called for in both these provinces. From whatever point of view the government is regarded, whether as to the population, area, or revenues of the country, the magnitude of the public establishments employed, or the extent of power possessed by the government; the title of lieutenant-governor seems altogether inappropriate for the head of the administration. It has already been explained that these officers have really the same powers as the Governments of Madras or Bombay: the Lieutenant-Governor of the North-Western Provinces has considerably more civil patronage than either, by reason of the more extensive nature of the establishments under his orders. When the office was first created in 1835, it was no doubt contemplated that a lieutenant-governor would fulfil somewhat less responsible functions. The Act of Parliament provided that he should only exercise such powers as the Governor-General might depute to him; and it was optional with the latter to have retained, had he thought fit, all or any part of the

patronage of the province. The only patronage, however, which was not surrendered by the Governor-General, at the time when the office was created, was the nomination to the bench of the Sudder Court. This court has now been transformed into a High Court, the judges of which are nominated by the Crown; so that, in point of fact, the lieutenant-governors now exercise the whole of their patronage as independently of the Supreme Government as do the governors of Madras and Bombay. It may be added that, since the office was first created, the emoluments of a lieutenant-governor have been considerably increased. It seems only proper, therefore, that while administrative changes are under consideration, the opportunity should be taken to make the titles of these high officials more consonant with their position.

Minor provinces.

The other provinces of British India, although technically spoken of as Minor Administrations, are really large and populous countries, which in any other part of the world would have a vastly more elaborate and expensive government than they actually possess. The three largest of these are Oudh, the Central Provinces, and Burmah, each administered by a chief commissioner; the others are Berar, held in trust for the Nizam, under two commissioners, who are subordinate to the resident at Hyderabad; Mysore, which although not a British province is at present governed by a Chief Commissioner and staff of English officials; and the little state of Coorg, which is under the Chief Commissioner of Mysore.

Oudh.

Oudh in all its physical characteristics resembles the North-Western Province. The latter, indeed, which surrounds it on three sides, the Himalayan Nepaul bounding it on the fourth, was formed in the first instance by the cession enforced in 1801 on the King of Oudh. The province now known as Oudh, which is thus merely the remnant of that kingdom as established a few years previously on the disruption of the Moghul Empire, was taken possession of in 1856, and furnished with a sepa-

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rate administration. Oudh was the nursery of the Sepoy army, whose outbreak in 1857, the fruit of many years' ill-discipline and bad management, has effaced the recollection of its former good qualities; while the frequent bad conduct displayed on that occasion from the want of proper leaders, has attached to those troops in popular estimation a standard of character much lower than their natural bravery and soldierly bearing really entitle them to. Their country, although the scenery is monotonous from its flatness, is one of the best cultivated, well watered, and most healthy in India. The system of administration closely resembles that of the Punjab; the head revenue authority is the Financial Commissioner; but, instead of a Chief Court, the courts of judicature are supervised by a Judicial Commissioner, to whom appeals lie from the district courts. This officer has however no criminal jurisdiction in matters where European British subjects are involved. Such cases are dealt with in the High Court of the North-West Provinces.

Central Provinces.

The Central Provinces are a collection of territories obtained at various times from different Mahratta states. They include a great portion of the table-land of Central India, in which rise the Nerbudda and Taptee flowing into the Indian Ocean on the west coast, and the Mahanuddee and several branches of the Godavery which fall into the Bay of Bengal. This country has suffered more than any other part from the ravages and intestine feuds of the Mahrattas. It was the stronghold of the Pindaree freebooters of 1817, and has only comparatively of late years possessed a settled government. In extent it equals Great Britain, and falls not far short of the larger provinces of India; but a great part consists of forests, waste land, and barren hills, sparsely inhabited by aboriginal tribes, and the revenue is at present comparatively small. The low plain of Nagpoor is one of the most productive cotton fields of India, and

the whole country, being naturally fertile, bids fair to become eventually a very valuable portion of the Indian Empire. The administration of the Central Provinces resembles that of Oudh, except that the duties performed in the latter by a Financial Commissioner, are here conducted by the Chief Commissioner in person.

Burmah.

British Burmah comprises all the maritime provinces on the east side of the Bay of Bengal, extending for a length of nearly 900 miles. In some parts it is merely a strip of land, but the province of Pegu has a breadth of more than 200 miles, and the whole area of the country is larger than that of Great Britain, and considerably larger than Bombay without Sindh. Although politically a part of British India, Burmah is not otherwise connected with it. The language of the country is Burmese, a language of the Turanian family, and allied dialects. The inhabitants belong to the Buddhist faith. A large part consists of forest land, almost uninhabited. But the soil is highly productive, and the population and breadth of cultivation are rapidly increasing. Timber is at present the principal export, and an extensive trade is carried on in that article; there is also a large export of rice. The system of administration is the same as that of the Central Provinces; but inasmuch as the language of the country is different from that of any part of India, no interchange of appointments with the staff of other provinces is practicable; the officers holding civil appointments there, remain in the province permanently.

Amalgamation of Oudh with North-West Provinces proposed,

Considerable territorial changes are proposed in Upper and Central India in addition to those already mentioned. First, the absorption of the comparatively small province of Oudh into the North-West Provinces. Next, the retransfer from the Punjab of the Delhi territory, which was annexed to the latter province after the mutiny. This country is peopled mainly by Hindustanees, and is more appropriately attached to the North-West Provinces to which it formerly belonged. Thirdly, the addition to

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the latter of the Hindustani Districts of Behar now belonging to Bengal. Thus, the Hindustani speaking peoples of India would all be collected under one Government. But as all these additions would bring up the North-West Provinces to an unwieldy size, it is further proposed to divide that country into two parts, one consisting of the districts north of the Ganges, including Rohilkund, Oudh, Tirhoot, and the other parts of trans-Gangetic Behar, the seat of Government being fixed at Lucknow; the other comprising the Gangetic plain south and west of the Ganges, and extending eastward as far as Bengal proper, with seat of Government at Allahabad. To this southern province it is proposed to add the northern parts of the Central Provinces, formerly styled the Saugor and Nerbudda territories, which were transferred to the latter in 1861. If these and the other territorial changes already referred to be carried out, the Central Provinces will be entirely absorbed, the Nagpoor cotton districts falling to the share of Bombay, the northern parts to the Government of Allahabad, and the wild country to the east going to make up, with part of Bengal and Madras, the new Province of Orissa.

and division of latter into two great provinces.

Central Provinces absorbed into others.

Whatever be the ultimate number of these so-called Minor Administrations, one change in their form of Government appears highly desirable. The device of appointing a Chief Commissioner, instead of a Governor, to the head of a province, was first adopted by Lord Dalhousie, on the annexation of the Punjab. The status of this officer differed from that of a Governor or Lieutenant-Governor in that, besides receiving smaller emoluments, he had nominally no patronage or authority; every appointment and promotion in his province was made by the Governor-General in Council, and in administrative matters, every act was deemed to be performed under the orders, or subject to the approval, of the same authority. By this arrangement the Gover-

Chief Commissioners should become Governors.

nor-General was able to superintend the development of British government in his favourite province, and to control its proceedings much more closely than would have been possible, had his authority been delegated to a Lieutenant-Governor; while it enabled him to make his own selection of the staff required for the new Government, and to regulate himself their subsequent advancement. But when once a vigorous administration has been established, and all the posts in it filled up, the course of promotion must be virtually regulated by the local chief, who would else cease to be responsible for the success of his administration; and the patronage of the Supreme Government must necessarily be limited, in practice, to the first nomination to vacancies at the bottom of the official ladder—a kind of patronage very little valued in India. The Punjab has, indeed, been formed into a Lieutenant-Governorship; and if it were only to relieve the Supreme Government from the pressure of administrative details coming up from these minor provinces, the time has come for putting their governments on a more independent and responsible footing. Something has been done in this direction lately, by an Act of the Indian Legislative Council, which enables the Government of India to delegate to the Chief Commissioner of a province any of the powers which it may possess in regard to that territory. But, further than this, it seems very desirable that the title of Governor should be conferred on the officers holding these important posts, and exercising greater influence over the fortunes of their fellow-men than is probably possessed by the ruler of any colony. A change of title need not necessarily involve the complete transference of authority, to the extent which occurred on the appointment of the Lieutenant-Governors.* The distribution of power

* Recent legislation recognises a marked distinction between a 'Local Government' and a 'Local Administration,' and in many cases confers different powers upon the two. But the proposed change need not interfere

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and patronage between the supreme and local governments is a matter of detail to be settled by the former, as was provided by the Act of Parliament in the case of Bengal and the two provinces of Upper India. On this head there is the precedent of the Straits Settlements, the Governor of which, although so styled, had even less independent authority, when that colony was attached to India, than have some of the so-called Minor Administrations. The expense of the change need be but trifling, involving altogether merely the addition of half-a-dozen aides-de-camp and a few personal attendants.* That kind of economy is hardly judicious, by which the time of these high officials is employed on the drudgery of that semi-public business, which in every other country would be done by the Governor's household, while this republican simplicity is far from being in unison with the feelings of the governed. The people of India attach great importance to outward show and etiquette, matters much studied by all native rulers; and that these should be replaced by plain gentlemen, who ride about unattended, and appear in public without the appendages of office, by no means tends to reconcile them to the change. A certain amount of outward state is a necessary condition of good or, at

with these definitions. The head of an 'Administration' might legally be just as well styled Governor as Chief Commissioner.

* The Governors of Bombay and Madras have each two aides-de-camp, a band, and small bodyguard. The Lieutenant-Governors have a single aide-de-camp, besides a private secretary, and their escort is furnished from the regular native army. A Chief Commissioner has no staff, and, if a bachelor, must write his own invitations, and superintend in person all the household details of the entertainments imposed on him by his official situation. The secretaries of the Supreme Government address provincial 'governments' through their secretaries; the heads of 'administrations' are addressed in person, but reply through a secretary. These are the principal distinctions recognised by official etiquette for marking the respective differences of rank. It must be added, however, that the appointment of a Chief Commissioner is not recognised in the Royal Warrant regulating official precedence in India. He takes precedence only in virtue of being also 'Agent to the Governor-General' in his own province.

any rate, of popular government in India.* To which reasons may be added that the British public will never appreciate at their proper value the magnitude and importance of these great provincial administrations until they are brought into the scale with which they are familiar. When this is done, then it will readily come to be understood that the British possessions in India consist of an assemblage of large provinces, each of the size of a kingdom; garrisoned indeed by one army, but each furnished with its own separate civil government, under the general control of the Governor-General and Council. So soon as the hazy notions are dissipated, which conceive the country to be divided into three Presidencies, with a number of outlying dependencies, controlled in some mysterious fashion, which no one unacquainted with the country can attempt to understand, it may be hoped that public men in England will gradually acquire the same amount of knowledge regarding the nature of Indian administration, which they would be ashamed not to possess with respect to any other part of the British Empire.

* Instances no doubt occur, now and then, of rulers who can afford to dispense with the trappings of power; whose force of character alone gives them the needful dignity and influence. But such men must be the exception in India as elsewhere.

CHAPTER V.

THE GOVERNMENT OF INDIA.

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India properly a federation of states, under Supreme Government.

In the foregoing chapters have been stated the reasons which can be advanced in favour of a more distinct and definite recognition of the form of organisation of the Indian Empire, which already exists in fact, as a number of separate civil governments; and for the establishment of each on a footing consonant with the extent and importance of the functions to be performed by it. Various territorial modifications have also been proposed (although the idea has no claim to originality), by which British India would be divided into ten provinces, namely, Bengal, Madras, Bombay, Allahabad, Lucknow, Punjab, Berar, Orissa, Assam, and Burmah. The rest of the Peninsula is made up of four native states, or groups of states, all more or less controlled by the Supreme Government, viz. Mysore, in the south, at present administered by British officials; Hyderabad; the cluster of small principalities, chiefly governed by Rajpoot princes, which make up the large tract called Rajpootana, and are under the superintendence of the Governor-General's Agent at Ajmere; and the states, some large and some small, chiefly Mahratta, which are supervised by the Governor-General's Agent for Central India.

Consequence resulting from recognition of this view.

One effect of decomposing Bengal into three separate states would be, of course, to impose more work on the central government, already, it may be thought, overburdened, since two more provincial governments would be thus placed in direct correspondence with it. But

the general tendency of the arrangements which have been here suggested would undoubtedly be to relieve that Government of the burden of details. The business connected with the army would certainly be lessened rather than increased, were the fiction of three separate establishments swept away, and the European troops throughout India placed under one Commander-in-Chief, without the intervention of local governments and their separate departments. The fusion of the three Civil Services and the three Staff Corps each into one body would not impose any appreciable increase of business on the central government. On the other hand, the conversion of the Lieutenant-Governors and Chief Commissioners into Governors would naturally be accompanied by the transfer of much business, of a detailed kind, which has now to be referred to the central authority for disposal; and it is in matters of detail that the latter is now overburdened. But the great relief would arise from the change of financial system which has been advocated in my third chapter. This radical alteration of method would necessarily, while increasing the responsibilities of the provincial authorities, reduce the labours and, to a certain degree, the responsibilities of the Government of India.

Benefits to be derived from its recognition.

The Government of India would, under this system, for the first time take up that position of a general controlling authority, operating equally over all India, which full consideration of the subject will probably show to be the most fitting and appropriate. There is nothing in the nature of things to make it proper that the Supreme Government should exercise a more detailed control and interference with the affairs of one or other remote parts of the country, than with those of the remaining provinces; while its immediate connection with Bengal, when that province is provided with a complete and suitable government of its own, merely from the accidental circumstance that its head-quarters are situated in that country, is positively harmful, since the responsibility

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of that Government is unduly relaxed, and a mistaken notion is engendered in other parts of India, that the Supreme Government has less authority and interest there—an idea quite unsupported by the existing law.

To carry out this change, moreover, would put an end to the complaint now so common, and sometimes perhaps made with reason, of the over-centralisation exerted by the Supreme Government. The exact limits of the control that should properly be exercised cannot be fixed by any Act of Parliament; the central authority must needs interfere, whenever it conceives interference to be necessary in the interest of good government, in virtue of the responsibility resting on it. But, while abundant occupation will remain for the Government of India, in the great and varied business that must perforce arise out of the concerns of the empire—military, diplomatic, financial, and public works the inducing cause to exercise the most unpalatable kind of interference will no longer be present, in the form of the references on minute points of expenditure which have now perforce to be made, and on which criticism naturally arises. Another cause of supposed clashing of authority will be removed so soon as the Supreme Government assumes the direct control of the whole Indian Army, instead of conducting the administration of a part of it, through the nominal agency of the provincial governments.

Direct communication between India Office and subordinate governments no longer necessary.

Lastly, a fertile cause of needless antagonism would disappear, on the cessation of all direct correspondence between the India Office and the Governments of Madras and Bombay, which would be a natural corollary to the system of Indian polity here advocated. This correspondence was necessary when the three presidency towns were distant from each other by many weeks' journey, and when the three governments were perforce obliged to act independently in most matters. But the case is now entirely different. The correspondence still kept up has long ceased to have any important political or military

bearing, and is now practically confined to matter of detail relating to 1, accounts: 2, business connected with the details of military service, shipment of stores and troops, and furlough and passage-money to the members of the civil and military services; and 3, the business of the civil administration. For none of these does direct communication appear to be either necessary or desirable any longer.

First, as regards the accounts. Until within the last few years the system of Indian account was a curious medley of the old presidential arrangement, combined with a recognition of the subsequent formation of provinces. The army accounts were kept, as they are still, under three heads; but the civil accounts of the larger provinces were kept distinct from each other. No central office of account existed, nor were any books kept, which exhibited the total receipts and expenditure in India: the budget of the Indian Government, and the accounts rendered to Parliament, were based merely on special statements compiled in the Financial Secretary's office. The officer styled Accountant-General of India, besides having charge of the Indian loan accounts, merely kept the accounts of the Bengal army, and of the various smaller provinces and outlying dependencies which had not their own offices of accounts. It followed as a necessary consequence from this plan, which was a relic of the old mercantile system of the Company, that each of the Indian offices of account was in direct correspondence with the London office, in respect of the remittance transactions, for stores shipped, and payments in one country on account of the other. But within the last few years the form of the Indian accounts has been entirely recast; and, among other changes, a central office has been established, where the whole Indian accounts are compiled and booked under separate provincial heads. The complication is, indeed, still maintained of dealing with army expenditure under three arbitrary heads; but

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in all other respects the accounts of the ten provinces of India are now on the same footing, each having its own Accountant-General, who renders the accounts of it monthly to the Comptroller-General for incorporation in the imperial books of the central office at Calcutta, where, finally, an account is compiled for transmission to the Secretary of State in London. The system was till lately so far incomplete, in that all the Provincial Accountants-General continued to be in direct correspondence with the India Office in respect to remittance transactions; but this practice has been abolished, and there is now only one account kept between London and Calcutta for all India. The inconvenience and anomaly involved in the present method of adjusting the army accounts, which prevents the proper incidence of the military charges on the different provinces from being determined, has already been pointed out; but this does not necessitate more than one office of communication between India and England. On the score of accounts, therefore, the continuance of this correspondence has ceased to be necessary.

Next, with respect to the correspondence on current business relating to the *personnel* of the service. It has been explained that this has already been greatly diminished, in consequence of the abolition of the local European army. Cadets and recruits are no longer sent out; while officers of Her Majesty's Service come and go, under the orders of the Commander-in-Chief and Horse Guards, without reference to the provincial authorities. The movements of troops and stores are in reality regulated by the Supreme Government, and the employment of the local government merely creates a superfluous link in the official chain. As regards the civil servants, there appears no more reason, save the force of custom, why the Bombay Government should be in direct correspondence with the India Office on the affairs of those serving under it, than that the Bengal Government should be so with respect to the very much larger official body employed in

Bengal. This would be obvious immediately on the fusion of the three bodies now maintained into one Indian Civil Service.

There remains to notice the correspondence arising out of the ordinary business of the administration in its various departments—revenue, law, education, police, public works, &c. Here also the powers possessed of direct correspondence with the Secretary of State are more nominal than real. A copy of every despatch sent to England by the Governments of Madras and Bombay, is furnished simultaneously to the Government of India, to whom also the Secretary of State sends duplicate copies of his replies. Now, in matters of detail, no inconvenient delay could arise, in the present improved state of communications, were such references made through the Supreme Government, as they are from all the other Governments in India; while as regards really important concerns—such as the undertaking of extensive public works, or the introduction of great administrative changes—in practice, either the case is referred back for the decision of the Supreme Government, or the approval of that Government is obtained to the proposed measure, before the assent of the Secretary of State is signified. It may be safely affirmed that no case has occurred, in which any measure has been carried out by this mode of communication, that would not have been carried out equally soon, if the reference had been made through the Government of India. All that this power confers on the two subordinate governments, is the certainty of their opinions becoming known to the Secretary of State, but this publicity might obviously be secured without it.

It may of course be replied, that if this power is merely nominal, there can be no harm in maintaining it; and that a change of practice is not desirable, which would have the appearance of reducing the dignity and status of the subordinate, without really adding to the authority of the central government. But although it

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is certainly the case that no measure of importance is ever carried out on the direct recommendation of a subordinate, against the wishes, or without the opinion being obtained, of the Supreme Government; and the latter can no doubt always succeed, when it so determines, in making the authority respected which the law confers on it; it is hardly doubtful that the maintenance of this authority is rendered much more difficult, in consequence of the appearance of independence which the present system imparts; and that governments which are in direct communication with the India Office, are apt to forget the position of complete subordination to the Supreme Government which the law contemplates their holding. Even among officials who should be acquainted with the facts, it is not uncommon to find a belief existing that the Governments of Madras and Bombay are less completely under the authority of the Governor-General in Council, than are the other governments of the country; while in popular estimation the three governments are usually regarded as independent powers with co-ordinate authority, one of them possessing a somewhat more extensive jurisdiction than the rest. In fact, the state of India in this respect is supposed to resemble that of the Australian colonies, or those of North America before the Dominion, where one of a number of independent governors has the higher title of Governor-General, but has practically no higher powers than the rest. A reference to the Acts of Parliament bearing on the subject would speedily dissipate this notion, which, however, is obviously quite incompatible with the fact, that the Governor-General in Council is wholly and solely responsible, both to the Home Government and to the Indian taxpayers, for the management of the Indian finances.

Mistaken notion commonly prevailing regarding relations between the different governments.

The time, moreover, has come when the position of the Supreme Government needs to be asserted in the most distinct way practicable. Everyone admits that India must be governed in India, if it is to be governed

Position of Supreme Government needs strengthening.

properly; but the unavoidable tendency of affairs of late years has been to weaken rather than strengthen the position of that Government. The Court of Directors contained many members personally unacquainted with India; others were preoccupied with their own private business, or actively engaged in politics; the Chairman was changed yearly; and the Governor-General could often find in the Board of Control (usually presided over by a political friend), a convenient counterpoise against the pressure of the Court.* The transfer of the government from the Company to the Crown has consequently in this respect made a very significant change, especially in the substitution for the Directors of a Council whose members are all personally acquainted with India, and are obliged by law to devote their whole time to the business of the office. Moreover, its composition appears to have been regulated very much on the idea that the three Presidencies should be each represented in it; and thus it has perhaps not unnaturally come about that the Council should be a body calculated rather to secure a

* Almost every Governor-General has maintained a confidential correspondence with the President of the Board of Control, but the extent to which the double government strengthened the Governor-General's position was, perhaps, most conspicuous in the case of Lord Wellesley. The Court of Directors having censured certain acts of his, Lord Wellesley resigned his office, and at the same time complained to the President of the Board of the Court's behaviour; whereupon Lord Castlereagh prevailed on the latter to propitiate Lord Wellesley by a despatch, couched in such conciliatory terms as induced him to withdraw his resignation. It is worth noting here, that in Lord Wellesley's time, although the Act of 1793 was even less precise than the subsequent ones, and the division of the country into three separate Presidencies was then an actual and well-defined, as well as very necessary division, the authority of the Supreme Government was more absolute and unquestioned than it is at the present day. (See the *Wellesley Despatches*, *passim*.) Something of this was no doubt due to the genius and force of character of that statesman. Soon after his arrival in the country, an exhibition of opposition to some of his measures by the Madras Council drew down on it such an emphatic declaration of the legal relations of the two Governments, and his Lordship's determination to maintain his supremacy to the fullest extent, as effectually stopped all further remonstrance. Henceforward, officials of all classes throughout the country were the obedient, unquestioning, executive agents to fulfil his commands.

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due share of attention to class interests, than to afford a strong support to the ruling authority; and that it should contain, so to speak, three not very closely-welded sets of representatives, each of which is disposed rather to consider the interests and prejudices of the presidency which it is supposed to represent, than to take a broad and impartial view of the concerns of the whole empire, from the standpoint of the central authority. At least it would be only agreeable to the common experience of human nature, if occasionally members chosen from the 'minor presidencies,' who enter the Council chafing under a sense of what they deem the undue interference of the 'Bengal' Government, should find themselves in a frame of mind hardly compatible with an impartial view of the position and prerogative of the supreme authority in India. At any rate, these motives would sufficiently explain, if they are not actually the cause of, the tendency which sometimes manifests itself on the part of the Council, rather to encourage the subordinate governments in opposition to the Supreme Government, or at any rate not to afford that unequivocal support to the latter which is essential for the maintenance of discipline and good government. For the abolition of these feelings we must look to the removal of the causes which engender them, which would be the effect of the fusion of the services, and the total abolition of the title of presidency. When this takes place, the due relation of the supreme and provincial governments will no doubt be clearly apprehended within the Council, as elsewhere; the establishment of an imperial service will introduce imperial views of business. But there still remains the fact that the attempt to govern India from England is now possible; and, whatever may be urged to the contrary, a more prompt and sustained kind of interference with Indian affairs than was formerly habitual is a necessary condition of the times. The more rapid communication, the better information possessed, and the

more distinct allocation of responsibility on the controlling office in England, all combine to this result. It will be some compensation for this if the supreme authority of the central government within India be duly recognised; and towards this object the cessation of all direct communication between the India Office and subordinate governments would effectually contribute.

Effect of proposed financial changes.

It may, however, be not unreasonably asked, at this stage, whether the financial independence which it has been proposed to give to the Indian provinces, would not favour the maintenance of the existing practice. And the case of public works loans may be especially urged on this head. A provincial government, it will be said, may wish to obtain money from the London market for irrigation or other works. Here, then, would be a clear case for applying direct to the Secretary of State, and where it would be both needless and vexatious to require the interposition of the Government of India.

Loans can be raised only by Supreme Government.

It may be as well, then, at once to say, that this is a degree of financial independence which the foregoing scheme does not contemplate; and a little consideration will, I trust, render it clear that such latitude would be found quite impracticable. A provincial loan could only be placed on the London market on the credit of the financial stability of that province; Indian credit generally could not, it is plain, be pledged to a debt incurred without reference to the Supreme Government. But the credit of any one province is, from the nature of the case, not wholly at the disposal of its provincial government. The revenues of the province, so far as that province is concerned, would be the surplus disposable after the claims of the central government had been satisfied—that is, after the quota demanded by the latter had been furnished to the imperial exchequer. Now, it will be manifest that the amount of this quota, and consequently of the disposable provincial surplus, can only be known to the party which makes the demand, and that the provin-

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cial government will seldom be in a position to say whether it has any surplus. We have only to suppose, for example, the case of the Government of India having in view the prospect of being required to embark upon some great military undertaking, which would absorb all the current resources of the empire, at a time when the provincial government, in ignorance of the state of political affairs, might be desirous of effecting a great extension of irrigation-works with borrowed money. In fact, a provincial government pledging its credit, would be much in the position in which the Church of England places a sponsor, who is required to engage that his god-child shall be brought up in a godly fashion, although the law gives him no sort of control over the parents to ensure that this shall be done.

These considerations will therefore, I conceive, make it plain that—not to press the obvious objections there would be to the different provincial governments bidding against each other in the money-market, nor the fact that the inferior security offered would render borrowing in this fashion unreasonably expensive—the negotiation of loans for the use of any part of the Indian territories must necessarily continue to be managed and controlled by the Supreme Government, which alone can be in a position to judge whether in each case the raising of a loan is both desirable and practicable. In short, these affairs must continue to be regulated much after the manner in which a loan was lately raised for certain improvements to the town of Bombay, when the money was borrowed by the Supreme Government on the credit of the general revenues; the appropriation of the loan, and the manner of its liquidation, being a matter of separate arrangement between the two governments, with which the bondholders have no concern.

Mode of transacting business of

Having said so much on this head, a few remarks will now be offered on the constitution of the Supreme Government. The business of that government has for

Supreme Government; by separate departments.

many years been conducted in separate departments, at the present time five in number—Financial, Home, Foreign, Military, and Public Works. The proceedings of these departments are recorded each in a separate office, presided over by a secretary, under whose signature or that of his deputies all orders of the government are issued, and to whom all communications are addressed, excepting the despatches from the India Office. Thus the Secretary occupies the same position with respect to the Indian Government, as does an Under-Secretary in England with respect to the Secretary of State for his department, or the Secretary of the Treasury with respect to the Chancellor of the Exchequer. The kind of business conducted in each department is indicated generally by its name, except as regards the Foreign and Home Departments. The latter used formerly to deal with all business coming up from the regulation provinces,* while the former conducted all correspondence with the diplomatic agencies and subsequently the administrations of the different non-regulation provinces, as they were by degrees annexed to British territories. Of late years, however, since the introduction of the penal and criminal procedure codes, and the establishment of an uniform body of police, have removed some of the principal differences which originally marked the two systems, the territorial distribution of business has been gradually replaced by one of branches, and the Home Department has undertaken the business of the police and some other services throughout the country. It resulted that this department was found in time to have more than its proper share of work, and, by way of more equal distribution of labour, the Post-office has lately been placed under the Finance, and the Telegraphs under the Foreign Department, so that these names no longer denote expressly their respective functions. The Finance Department, besides being, like the English Treasury, the

* Madras, Bombay, Bengal, and North-West Provinces.

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final authority in all matters involving an increase to the public establishments, or a permanent charge on the State, exercises also direct administrative control over several branches of the revenues, including opium, salt, excise on spirits, and assessed taxes.

Classification of accounts.

For purposes of account, the administration is divided into three branches, civil, military, and public works—the first comprising all the classes of expenditure which are not comprehended in the two last. The civil accounts of each province are compiled by the provincial Accountant-General, who is an officer of the Supreme Government, and rendered monthly to the Controller-General's office, which is attached to the Financial Department. The public works accounts are also audited in provincial offices, independent of the local authorities, and are brought together by the Accountant-General attached to the Public Works Department of the Government of India. The military accounts, as has been already explained, are compiled separately for the three 'establishments' maintained in India, at Bombay, Madras, and Calcutta, under the superintendence of a Controller-General attached to the Military Department of the Supreme Government.

Business of provincial governments, how conducted.

The records and correspondence of the provincial governments are also conducted, in the same way, in five separate departments, but a corresponding number of separate offices is not maintained. Most of these governments possess a staff of two secretaries—one for public works, and the other for all other business. At Madras and Bombay the maintenance of an army renders a military department necessary, and the civil business is divided between two departments, the styles of which do not, however, represent very closely their actual functions. The title of a 'secret and political department,' handed down by the traditions of times gone by, is no longer appropriate to the purpose, since those governments have no independent political [diplomatic] business

to perform, while secresy is a condition resulting from the nature of business, and is not confined to one department more than another.

Former consultative system of business.

Although its affairs have thus been conducted for many years in separate departments, they were until lately superintended by the Government as a collective body. The law recognised only a Governor-General in Council, and by the Governor-General in Council all business was carried on. In earlier times, indeed, the Government was a board, whose proceedings, as is well known, the President with difficulty controlled, and whose conflicting decisions, swaying to and fro as the majority turned to one side or other, spread confusion, indecision, and disgrace over the land. This defect was remedied by the Act of 1786, which placed the whole power virtually with the Governor-General, and thereon an extreme reaction set in. In the Marquis Wellesley's time the Council appears to have become a perfect cypher. The 'board,' as he used to term it, was seldom consulted till after the event, and orders were more often issued in his sole name than on their joint authority. This practice appears to have been scarcely legal, so long as the Governor-General was residing with the Council at Calcutta; and after that nobleman's departure from India, the procedure seems to have reverted to what the Acts of Parliament contemplated, and so continued until Lord Dalhousie assumed charge of the Government. At this time all papers requiring the orders of Government were circulated by the secretary of the department among all the members of the government, in order of seniority, and therefore being first laid before the Governor-General. Cases, the opinions recorded on which were in accord with each other, were then usually disposed of by the secretary; those on which there appeared to be a difference of opinion were brought up to meetings of Council for personal discussion.

The main defect of this procedure was plainly the

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now replaced by departmental system.

inconvenient order of circulation; the member of the Council best qualified from previous experience to deal with a case might often be the junior, and would therefore get the papers last, so that his colleagues might have no opportunity of learning his opinion on it before recording their own. This was remedied by Lord Dalhousie, who directed that papers should first go to the member most conversant with them—*i.e.* the business of the military department to the military member, and so on. About this time another difficulty had begun to make itself felt, and Lord Dalhousie, before resigning the office of Governor-General, recorded an opinion that the magnitude of the business which engaged the Government of India, had even then attained a development beyond the power of any one man to deal with effectively. The enormous extension of territory which occurred during his term of office sufficiently accounts for the great increase of business which dated from that time; and to prevent an utter collapse, under the pressure of affairs in all departments—military, political, and financial—caused by the mutiny, Lord Canning abolished the practice of dealing with business by the Council collectively, and established the present system, under which each member takes the management of one or more branches of the administration, and only important affairs are referred to the Governor-General, or to the whole Council. This, however, was at first merely a private arrangement: the first public announcement of the introduction of what is virtually a Cabinet Government, was in effect made when the late Mr. Wilson was appointed, in 1859, as fourth Member of Council (filling the place which heretofore had been occupied by a lawyer), ostensibly in order to take charge of the financial business of the Government, the responsibility for which was distinctly accepted by him and his successors, and recognised by the Governor-General and rest of the Council. The appointment of an additional

member in 1861, who must be a barrister, and who is understood to have the charge of all Government bills in the Legislative Council, helped also to mark out this division of duties and responsibilities. The arrangement was not, however, in the first instance, legal, since the Act of 1853 and previous ones required that every proceeding should be conducted by the Governor-General acting with his Council; but a clause in the Act of 1861 * remedied this, by providing that the Governor-General should be empowered to make any arrangements he may deem fitting for the more convenient disposal of the business of the Council, and that any act done under the orders so passed, 'shall be deemed to be the act of the Governor-General in Council.'

Thus the Supreme Council now practically forms a cabinet, the premier of which, however, besides holding a much higher official and social position than the other members, takes a much more active share in the direct administration and superintendence of the various departments, than is the case in any other government. Perhaps the position may be more accurately likened to that of an absolute monarchy, where the king rules through responsible ministers, but yet rules himself.† The extent of this great change—by which the councillors, who formerly were the mere auditors of the Governor-General's proceedings, have become the ministers of departments, with a power of initiation in all business connected with them—is scarcely yet apprehended, even in Indian official circles; where an able civilian is not uncommonly held to be placed on the shelf, or, at best, transferred to a post of more dignity than usefulness, when promoted from some prominent administrative office to a seat in Council. This misapprehension does

* The Indian Councils Act, 24 & 25 Vict. cap. 67.

† This simile, of course, puts out of sight the controlling power of the India Office, and regards the Indian Government merely in respect to its relations with India.

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not, however, extend to the case of the legal and financial members, whose status seems to be publicly recognised in all quarters. That it holds regarding the other councillors, is probably due to the fact that they do not take each a separate department, but divide the remaining affairs of government amongst themselves in a way not always clearly understood. Thus the Governor-General usually superintends himself the diplomatic or political business of the Foreign Office, while the rest of it falls to one of the councillors. And so with the Home Department. The nature of the military councillor's occupation is indeed manifest; but then the Commander-in-Chief has also a seat in Council, so that their respective shares in the administration of the Military (or War) Department may not always be clearly distinguished. Lastly, it may be observed that the departmental system has not been carried out to the fullest extent possible. A much greater proportion of business continues to be referred to the whole Council than goes before any European Cabinet.

Former practice of Governor-General quitting his Council.

Another change lately introduced, of great practical importance, should here be mentioned. Ever since the time of Lord Cornwallis, it has been usual for every Governor-General to visit various parts of the country, and remain for long periods absent from his Council. In such cases, although the law required that, when he was with his Council, all business should be transacted by the whole body collectively, it conferred on him the power of acting, when thus absent, entirely without reference to that body.* And since on every important occasion, of war, insurrection, or political emergency, the Governor-General has found it necessary to proceed into the

Its inconvenience.

* To be more accurate, it should be said that the law confers on the Council the power of delegating their powers to the Governor-General. On every occasion of his departure from the seat of Government, an Act of the Legislative Council is passed, pursuant to the provisions of the Act of Parliament, empowering the Governor-General to act while absent without his Council.

interior, it has happened that the benefit contemplated to be obtained from a Council, whether in the value of their deliberations, or as a check on precipitant action, has invariably been lost. This was one defect. Perhaps a greater evil was that, on such occasions, India was handed over for a time to a double government. The Governor-General took a staff of secretaries with him, and the departments at Calcutta were filled up by acting appointments; and usually the superintendence of India was divided into two parts, the President in Council taking the southern provinces, and the Governor-General the northern, with the understanding, however, that the former should refer all important cases for orders; while the Governor-General, being accompanied by only a small establishment, and being on the move, frequently sent the less important business arising in his portion of the empire to Calcutta for disposal. The arrangement, indeed, rather resembled the disposition of the later Roman Empire, when one Augustus created another Augustus to rule over a part of his dominions, than the businesslike provision of a modern European government. The inconvenience necessarily occasioned by it, from the facilities for misunderstanding and shelving of business, afforded in the references made from one part of the government to the other, may readily be understood; while the embarrassment caused to the provincial governments, by correspondence carried on with two superiors, to say nothing of their dislike to being subordinated to an authority like the President in Council (which naturally did not carry with it the weight due to the presence of the Governor-General), must have amounted often to a virtual suspension of the course of business. The evil became aggravated, as will be readily understood, in proportion as the departmental system of government superseded the consultative; but although the law provided for the assembly of the Council taking place in any part of India, the idea of

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removing it from Calcutta seems never to have occurred to anyone till the viceroyalty of Lord Elgin. That nobleman fixed a meeting of the Council to take place at Lahore in the end of 1863, but his untimely death prevented it, and the practicability of the measure was first demonstrated by the late Viceroy. Sir John Lawrence took the Council and the whole staff of secretaries with him, when his Excellency left Calcutta to proceed to the upper provinces in the early part of 1864, returning with them to Calcutta at the end of the year; and the practice has ever since been annually repeated. The result has been that the Governor-General has been enabled to visit various parts of the territories under his rule, while maintaining the course of public business uninterruptedly. Never before have the affairs of government in all departments been so promptly and punctually disposed of; and it may be safely predicted that, the absence of all difficulty in making the change having been abundantly shown, the extraordinary inconvenience occasioned by the interregnums of a President of the Council will never again be allowed to occur.

Practice has been abolished.

With respect to the constitution of the Council itself, various opinions have been broached, from time to time, both in the Press and in Parliament, regarding which I shall venture to offer a few remarks. First, it has been urged that the people of India ought to be represented in the Government, and that this should be done by the appointment of a native of rank to the Governor-General's Council. A little consideration will probably serve to show that the idea, although at first sight plausible, is not really practicable. In the first place, even supposing that a suitable person could be found (say, a ruling prince of one of the mediatised states), qualified by intelligence, experience in the conduct of business, and impartiality and soundness of judgment, for the duties of the position, the appointment of such a one would probably give offence to all the other high nobles in India. In fact,

Different proposals made for modifying composition of Council. Proposal to appoint a native member;

their interests would no more be represented by the selection of any one from their body, than the interests of the crowned heads of Europe would be satisfied by the selection of one of them to govern the rest. There is not, indeed, the same separation of races in the native governors of India as there is in the people they govern, most of them being themselves the descendants of foreign conquerors: their position rather resembles that of the different monarchs who succeeded to the fragments of the empire of Alexander the Great; but of this we may be sure, that their jealousy of each other would be quite as great as if they belonged to different races. Another objection, which is alone quite conclusive, lies in the fact that not a single native, occupying the social position which would render his elevation to a post in the government otherwise appropriate, is sufficiently master of the English language to be able to take an active share in its affairs. The greater part of that business, as in the case of every civilised government, consists of course in writing orders on the papers submitted by the different public offices, in all which the presence of the native member would perforce be quite overlooked. Therefore, not to dwell on the probability that such a man, if consulted at all, would be a mere echo of the wishes of the President—an argument most forcibly addressed to those personally conversant with the country—it will be plain that the appointment of a native to the Council would be nothing but a sham, and a sham of a glaringly apparent kind. That the natives of India should be admitted to a share of the administration of that country—that what has been done in this direction, so far, falls very short of what is demanded by both justice and policy, may be freely admitted. Some considerations on this head are offered in other parts of this work; but the change from their total exclusion from all valuable preferment to a full recognition of their claims can only be gradually made.

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The movement must begin at the bottom of the official ladder. They must first be trained to serve under the Government, to become qualified for admission to a share in it.

and a European non-official member.

Another change proposed is embodied in the claim sometimes put forward for a representation of the 'non-official community' in the Council. It need hardly be said that this term is always applied to the four or five thousand European settlers in the country, as opposed, as well to the official class, as the two hundred millions or thereabouts of native non-officials, and some apology seems almost due for occupying the reader's time with a serious examination of these pretensions. So far as making their wants known goes, the European non-official classes are in no need of assistance, for practically they have the command of the whole European press in India, which certainly does not err in the way of an undue backwardness in pressing the claims of those whose interests they represent. And, as regards approved fitness for the business of governing the people of India, a person, as I have remarked elsewhere, may spend a lifetime in the country in profoundest ignorance of them. The leading merchants who, from time to time, have been nominated to seats in the *Legislative* Council, have unanimously distinguished themselves by a judicious silence upon almost every subject under deliberation; and if a non-official councillor were wanted on the score of ability without special knowledge, a much better selection could be made in England. But the subject need not be seriously pursued. To say nothing of the claims of distinguished public servants to succeed to the higher posts of the public service, in no country in the civilised world are the members of the executive government selected at random, without evidence of previous training or qualification; and the experiment is not likely to be first made

in India.* It may, however, be admitted that a much stronger case can be established for supplying an outside councillor to *Bengal*. The number of European settlers in that province is exceptionally large, and many Bengalee gentlemen of standing are versed in the language in which the business of the government is conducted. Moreover, the duties of that government have no connection with political or military affairs.

An additional member needed for public works.

Two changes, however, in the constitution of the Council appear to be called for. First, one of the most important branches of administration is still unrepresented in it. The superintendence of the principal business of the Foreign Department is conducted, as has been said, by the Governor-General in person. The law member, of course, superintends the legislative business of the Government; the Financial and Military Departments have each their recognised head; the miscellaneous work of the civil administration in all branches is provided for by the two civilian members. But the Public Works Department has no responsible head. The want is an accident developed by the growth of the Indian Government. That Government was originally based on the theory that the Civil Service was the constituted governing body in every branch; agreeably to which the two members who composed the Council, the secretaries, and the heads of all departments, were chosen from that body. In process of time certain alterations were made in these respects; military men were appointed to the military secretariat, and pay and audit departments;† on

* It needs hardly be said that the composition of the English Government forms no exception to this rule. A man may indeed be elevated to the post of a cabinet minister without previous service in a subordinate office, although such cases are not common; but he must in such case, at any rate, have given evidence of skill as a debater, which is one of the most important parts of the business of an English minister.

† The Court of Directors, however, ordered the Marquis Wellesley to revoke the appointment of a military man to the military secretaryship, and certainly, according to the letter of the law, it was illegal.

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the councillors being increased to three, it became usual to fill one appointment from the army; in 1833 an English member was appointed for legal business, and an additional member was added in 1861 for finance; but public works have not yet been represented. The omission till lately would have been natural, because the Court of Directors, until almost the termination of their existence, did not recognise the prosecution of public works as a necessary part of their policy. The construction of a road or canal was regarded by them, in their earlier days, much in the same light that a war would be—as an unavoidable evil, to be undertaken only when it could not be postponed any longer, and not, if possible, to be repeated.* Latterly, the force of circumstances led the Court to acquiesce in the prosecution of several extensive new works; but the great development of progress in India under this head dates from the transfer of the Government to the Crown, and the annual expenditure on this account has now advanced from about half a million sterling (the rate in 1850) to nearly eight millions, to which must be added the expenditure of the guaranteed railway companies, which is practically State expenditure, since the interest on the capital raised is paid out of the public revenues. Altogether, between railways, irrigation works, and the large military and civil works in progress throughout the country, this branch of public business has now become of extraordinary importance, but for the proper conduct of it no one member of the Government is specifically responsible, and the department is made over from one to another, as individual leisure or inclination may suggest. Latterly, since Lord Mayo's assumption of office, it has been conducted directly by the Governor-General, as was done by Lord Elgin, and by Lord Canning during a part of his Viceroyalty; but the head of the Government,

* Some amusing exhibitions of this sentiment may be found in the work known as *The Boileau Code*, published at Calcutta in 1854.

perhaps the hardest worked official in the empire, can of course only give a part of his time to the detailed business of any one department, and the Secretary thus becomes virtually the permanent head of this one, but without the power which the position requires; and it would not be surprising if the want of a distinctly responsible minister, and the frequent changes of management, were to produce a degree of uncertainty and oscillation in the mode of dealing with public works, highly detrimental to their steady and persistent progress.* An additional member of Council specially appointed, and distinctly responsible for the conduct of public works, in the same degree that the finance and legal members are responsible for their branches of the administration, is a very necessary requirement of the times.

Two military members not needed.

On the other hand, the presence of two military members in the Council, one performing the duties analogous to those of a Minister of War, while the other also holds the executive office of Commander-in-Chief, appears plainly to be open to objection. In earlier times, when it first became the practice to give the Commander-in-Chief a seat in Council, there was no second military member; and after 1833, when the latter was added, the command of the army involved a residence in the upper provinces, where the great bulk of the troops was stationed. Thus, with rare exceptions, the Commander-in-Chief never entered the Council Chamber, except to take the oaths of office, and his membership therein came to be merely a matter of form, useful only as carrying with it certain additional emoluments and higher official precedence. But the removal of the Council for half of each year to the seat of army head-quarters,

* These defects are very forcibly pointed out in the evidence given before the Select Committee on Indian Communications, in 1865, by Colonel Strachey, secretary to the Supreme Government in the Public Works Department.

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and the improved state of communications throughout the country, have rendered it possible to combine the two functions of executive administration of the army with an active share in the proceedings of the Government. Now, an important part of those proceedings consists, of course, in the control of the executive departments of the state—that of the military departments, including the army staff, falling to the military member. That the head of the army should thus sit and vote at the council-meetings as the senior member, and should have the power of appealing, as a member of the Government, from the criticisms passed by the Government on his acts as an executive officer, appears an anomaly quite opposed to the principles which ordinarily govern English administrative polity. The conclusion therefore seems warranted, either that the duties of Commander-in-Chief and Indian War Minister should be united in the same person, or that the Commander-in-Chief should not have a seat in Council, but that in either case the military element in the Government should be represented by a single member. A division of the overgrown Bengal establishment into two separate corps, which has been suggested in another part of this treatise, might seem compatible with the former plan; on the other hand, the fusion of all the British troops and establishments serving in India into one homogeneous body, which has been offered as a part of that scheme, would, it may be thought, constitute ample reasons for maintaining that high officer for the performance of these separate functions. To which may be added, that the distinguished military qualities for which a Commander-in-Chief is usually selected, are not always found in conjunction with the aptitude for detailed business required from the head of a great office. No Parliamentary action would be necessary to effect the change. The Act of 1861 renders it lawful for the Secretary of State in Council to nominate the Commander-

Anomaly of present arrangement.

in-Chief to a seat in the Council, but it is not imperative on him to do so.

Cabinet or departmental system of government.

With respect to the further development which some urge should be given to the change from the consultative to the departmental system, contending that the circulation of proceedings is still carried too far; it may not be out of place to point out that the analogy is very incomplete between the Indian Government, and the Ministry of a country where the power is regulated by representative assemblies. An English Secretary of State, it is true, disposes of almost all the business of his department on his own responsibility, without reference to his colleagues; but his proceedings are watched by an independent and active press, and he is constantly required to explain and defend them in Parliament. A great degree of publicity is thus attached to the proceedings of the English Government. But in India all Government business is conducted in secret; public opinion or discussion there is none; and although the proceedings of the Indian Government in every branch are very fully reported for the scrutiny of the Secretary of State, a post-audit of this sort is never so effectual in preventing mistakes as previous criticism. Practically, therefore, the only publicity and control which the acts of an Indian Minister undergo, consist in the circulation of his proposals among his colleagues. And those who bear in mind the peculiar organisation of the Indian official world—where the governing class is one body which fills all but the very highest offices, sometimes even those—and how closely connected many of the members of it often are, by ties of relationship and previous acquaintance, will probably admit the soundness of Mr. Mill's opinion, already quoted (p. 113), on the value of a government by councils.

Limits within which it is practicable.

Further, under any circumstances the authority of the Governor-General must be paramount in all departments; and however far the division of employments may be

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carried, his responsibility for all the affairs of government must continue unabated; and consequently he must always be consulted much more freely and frequently, by his different colleagues, than would be the premier of any European cabinet. In fact, the utmost development the departmental system could ever attain to, would virtually take the form of a set of committees, consisting each of the Governor-General as chairman, and a departmental member. In short, the separation of business might be carried out as regards the members of the Council, but as regards them only.

Effect of promoting Councillors to be Lieutenant Governors.

Another point connected with the subject deserves a word of notice. Since 1853, the salaries of the Councillors have been reduced to 8,000*l.*, and those of the Lieutenant-Governors increased to 10,000*l.* a-year; thus the former post becomes a stepping-stone, in course of promotion, to the latter, and it would naturally happen that the Councillors should frequently be selected for these preferments. The Government of Bengal has indeed, on every occasion of a vacancy, been filled in this way. But though a person thus selected, from having merely a share with others, goes to the undivided management of affairs, the change is in some respects to a less important class of affairs. Moreover, he is frequently succeeded in the Council by the secretary of the department which he was lately in charge of, who thus, under the cabinet system, becomes for the time his virtual superior. The knowledge that the instructions issued in the name of the Governor-General in Council, from time to time, regarding the affairs of his province, are in most cases simply the orders of a councillor who was lately his immediate subordinate, might not unnaturally impart to them a different degree of authority from what such instructions would otherwise bear. On the other hand, it would scarcely be surprising if a councillor—who is himself expecting preferment to the government of a province—in dealing with the numerous

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the opinion of the majority in each case. And as this result would certainly form a strong objection against a further increase to the Council, although an addition on other grounds might be admitted to be desirable, the time would appear to have come for abrogating so much of the law as refers to the votes of the majority, and for limiting the power of Councillors to a record of their dissent, in cases where difference of opinion arises in the Council.* Further, since the control of the local European troops in India has now been transferred to the Commander-in-Chief, the position of the Governor-General, as the head and fountain of authority, and the representative of Royalty in India, seems to render it desirable that he should now be commissioned as Captain-General and Commander-in-Chief of all the forces in that country. A commission of this kind was granted to the Marquis Wellesley; it is usually given to all colonial governors; and from the want of it in India, a question of control and authority over the British forces there might possibly some day cause inconvenience.

His appointment as Captain-General also desirable.

Legislative Council.

The foregoing observations have had reference solely to the Executive Council. Until 1833, this body was also the sole legislative authority,† when one additional member was added for legislative purposes. In 1853, a separate Legislative Council for India was established, which (as subsequently modified in 1861) now consists, besides the members of the Executive Council, of not less than six or more than twelve members, of whom one-half must be unconnected with the public service—which gives a total of nineteen members. The six official members have usually been civilians, of experience obtained in different parts of the country; of the non-officials, the

* Note to 2nd edition. A Bill containing this provision has lately been brought into Parliament.

† For the Bengal Presidency. Each Presidency used, until 1833, to make its own enactments. From that year until 1853 the Supreme Council legislated for all India.

practice has been hitherto to appoint two leading Calcutta merchants and four natives of rank, chosen from different parts of India. All of these hold their seats for two years. The annual session lasts for about five months. Strangers are admitted by orders to the meetings, which are held in the Council Chamber of the Governor-General's residence. Members speak without rising; the standing orders control the proceedings in a very strict manner, especially as to the power to bring in Bills; and the Governor-General has a veto over all measures passed. Similar Councils have been established for Madras, Bombay, and Bengal, so that the measures of the Council of India are limited to matters either of general importance, or affecting those provinces which are unprovided with local Councils.

Effect of recent changes in it.

The addition of the official members brings experience acquired in different parts of India, necessarily of great value; while, as they are relieved during the session from other duties, they are enabled to bestow a greater amount of attention on the work of legislation than is possible for the executive members, busy with the duties of their respective departments; in consequence, a variety of comprehensive and important measures have been passed since 1861, calculated to confer great benefit on the country, which it would have been hopeless to look for if the Council had not thus been amplified. It cannot be said that the native members have taken any active share in the proceedings; indeed many of them, being unacquainted with the English tongue, have been able to understand what was going on only through the interpreter who attends the meetings. But there can be no doubt that a seat in the Council is generally prized by natives of rank, as conferring a personal distinction. As serving, therefore, to give an interest in the institution, in the estimation of the people of India, which would be wanting to an assembly composed wholly of Europeans, the addition of these is an undoubted gain, while wholly

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free from the objection which would exist against their admission to a share in the executive government.

But it will be clearly understood that the Legislative Council is thus merely a body of nominees, and, whether extended in number or maintained at its present strength, it must continue to bear this stamp. A representative assembly of any sort, in the present state of India, is a simple impossibility. Even to increase the number of members, retaining their nominee character, would be difficult. The European non-official community, besides that it is numerically very limited, is composed wholly of persons actively engaged in business. Fortunes can still be made in that country in trade and commerce; but the possessor of a fortune quits it as soon as the fortune is acquired, and there are no men to be found there, combining wealth and leisure, who could devote themselves to the business of legislation. A non-official European could be secured to give his whole time to such an employment, only by making it worth his while to give up his professional pursuits—that is, by converting him into a paid servant of the state. And with respect to the natives, any large increase to their number would aggravate the difficulty already felt, in the presence of members unacquainted with the language employed; while, to whatever extent they might be multiplied, they would no more represent the people of India, than the members of the Roman Senate, in the latter days of the Republic, represented the interests of the nations subject to the Roman authority. The interests of the princes and people are very far from being identical. An increase of official European members would be objectionable on the score of expense. On the other hand, a larger chamber would perhaps lead to greater freedom of debate, and so the proceedings of the Council would assume a more interesting and important character than they now possess in public estimation. There is, too, the advantage to be considered, in admitting as many

natives as possible to the benefit of the training in responsibility and habits of business afforded by a seat in the Council.

Site for capital of India.

The question, in what place the seat of the Supreme Government should be established, has for some years been under discussion, both in India and England. In considering the matter, the fact that it is at present nominally at Calcutta need not be taken into account as a determining cause, this being merely an accident, arising from the fact that the Supreme Government has been gradually developed, by force of circumstances, out of what was originally the Government of one isolated province. Nor are there any important considerations involved of the maintenance of public buildings, since, with the single exception of the Viceroy's residence, no public buildings worthy of the name, or suitable for the purpose of government offices, are in existence, save those connected with the Government of Bengal; the different public departments being scattered about the city, occupying for the most part hired houses. At the same time, this is no reason for overlooking the claims of Calcutta to be the head-quarters of the general government. Its advantages are that it is the seat of the largest European community, and the greatest commerce in India; and that while it possesses a crowded port, it is secure from attack either by sea or land. These are undoubted advantages, but they are more than counterbalanced by serious defects. The first of these is its extreme unhealthiness. Much stress need not be laid on the depressing nature of its hot damp climate, because, although there are probably few parts of the world less favourable to the exhibition of any kind of energy, there are few places where all classes, official and non-official, work harder and take less relaxation;* but not to press the

Advantages presented by Calcutta.

Its disadvantages.

* This assertion may appear surprising to those who hold the popular notions about Anglo-Indian life; but it will be borne out by all who are

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palpable disadvantage involved in attaching, as a condition of the viceregal office, that it shall be passed in the worst climate of India, it may be urged that the same cause which makes it a risk to any man to live there, involves also the certainty of a high percentage of casualties among the whole official body, creating constant change, and a larger staff in all departments than would otherwise be necessary, to supply the places of inevitable absentees during the annually-recurring sickly season.*

These drawbacks, however, should of course be faced, if the balance of reasons was in favour of doing so. But a more inconvenient situation than Calcutta for a central government, placed as it is in the corner of the country, could not well be found. The disadvantage in this respect is no doubt to a certain extent overcome by the construction of railroads; but a more serious objection to Calcutta consists in the exceptionally provincial character

acquainted with it. The merchants are all short-handed, and work hard in order to get away from the country the sooner. In official society, the rapid change of its members is always bringing up new and young men to the head of affairs; and thus the public departments are, so to speak, being constantly swept by new brooms. This, coupled with the fact that there is absolutely no other mode of occupation for a great part of the year, and none of the distractions and amusements which are found in European cities, explains why official business should assume the prominent place in men's time and thoughts, which it certainly does in the East. But nothing is so unlike the India of popular imagination as that arid country itself, with its dull monotony of life, and the extreme ugliness of its scenery in most parts.

* The extreme unhealthiness of Calcutta, at any rate for persons not acclimatised, can be best inferred from the numerous casualties of late years among the very small body of members of the Government. Mr. Drinkwater Bethune, Sir Walter Gilbert, Mr. Wilson, Mr. Ritchie, Sir James Outram, all died either while in Council, or of disease contracted while serving there. Some of them hardly took their seats but to die. The lamented death of Lord Canning was due to climatic disease. Mr. Laing escaped by timely flight. That the General commanding the Presidency division should complete his tour of office is the exception to the rule. Nor can the effect of the climate be estimated only by the rate of mortality. When the disease is not too swift, the patient is hurried away from the place, and the frequent change of officials from this cause sometimes creates quite a paralysis of public business. Since the Government has been moved yearly away from Calcutta, there has been no recurrence of this dislocation of affairs.

of the people. There is, indeed, no part of India which completely represents the characteristics of the people of India generally, just as there is no country in Europe which furnishes a type of the whole Continent; but any conclusions, formed from the characteristics of the Bengalese of all classes regarding the people of India generally, will certainly mislead. So long as the central government is located at Calcutta, it must necessarily be open to the reproach of partaking rather of the character of a Bengal Government than of a Government of India, especially when the two civilian councillors are chosen, as often happens, from the province; and there has usually been a marked change in the policy of each Governor-General before and after he has made his first visit to the Upper Provinces, and shaken himself clear of the local ideas and prejudices imbibed in that place. To all which objections may be added, that a Government stationed at Calcutta sees nothing of the army, with the condition of which it ought above all things to be thoroughly conversant. The first requisite of good government in India is a sound and vigorous army administration, which is not likely to be attained, unless the Government comes into frequent contact with the troops. Lastly, the Bengal Government will never assume in public estimation, or in fact, its proper relative degree of importance and independence, so long as it continues to be overshadowed by the presence of the central government as its own head-quarters.

Merits and demerits of Bombay;

Bombay is less hot and unhealthy than Calcutta, and is the second commercial city in India, while it is the point of arrival and departure of the English mails. Much stress cannot be laid on this last advantage, since in a short time no part of the country need be worse off by many hours, while Bombay has many drawbacks. It is open to attack by sea; it is situated on a barren island, already overcrowded and overpopulated, whence all supplies are brought from a distance, and where the

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influx of a great government establishment would aggravate the already high cost of living. Further, the climate of Bombay, although better than that of Calcutta, is still for many months of the year very bad. The provincial government, indeed, does not face it. During the hot months the Governor of Bombay, with the public establishments and the army head-quarters, usually takes refuge from the heat on the plateau of the Western Ghauts, which slope up gradually from the east to a height of 4,500 feet, and project, an almost unbroken precipice, over the shore of the western ocean. When driven away from this retreat by the torrents of rain which the south-west monsoon precipitates on these heights, the Bombay Government resorts to Poona, situated on the elevated table-land of Western India, a region subject to the cooling influence of the same monsoon, but sheltered from excessive rain by the Ghauts to the westward, which act as condensers of the moisture borne in from the sea. Thus the Bombay Government has virtually three capitals; but offices and accommodation at these places could not reasonably be found for the larger establishments of the central government. Besides, to fix the latter always in the same place with the Government of Bombay, would be open to precisely the same objection as lies against keeping it in Bengal.

of Poona;

Poona itself, or some other neighbouring spot on the western table-land, has been frequently proposed as a suitable site for the capital of India. But this plateau, although safe from attack by sea, and cool and healthy during the rainy season, when the climate of Eastern and Northern India is at its worst, is badly watered and wooded, and liable in consequence to constant drought. A visitor to that region, at any other than the rainy season, when a brief period of vegetation sets in to refresh the eye, can hardly fail to carry away the impression that this scorched, stony, and ill-wooded tract is

ill-adapted to support a large population, or to be the site of great cities.

of Central India.

Then, again, the idea has been broached in certain quarters, that some spot not yet precisely indicated in Central India should be selected, and a capital built there. As has been already pointed out, the superiority of a central position, if one could be found, is very much diminished by the introduction of railways and telegraphs; and a capital in the wilds of Central India would be, in all other respects, open to every objection that could be made against all other places. These table-lands are certainly free from the excessive heats of the river-basins, and the great Gangetic plain, or the eastern coasts; but it is very doubtful if they are exceptionally healthy for Europeans, while they are certainly liable to the ravages of epidemic cholera, from which both Bombay and Calcutta have so far been generally free. In a military and political point of view, such a place would not be safe from any side, while a government located there would be liable in an especial degree to the fault of provinciality. But, in truth, the proposal to establish the Government of India in some place where no great city already exists, or has ever existed, far away from the centres of trade and population, Native or European, is not one that needs serious criticism.

No one place suitable.

It seems not necessary to pass in review the merits of the various other places, more or less suitable, which have been from time to time suggested. The fact seems to be, that no one place which can be named fulfils the needful conditions. When the importance of the public opinion exerted by European settlers is urged as a reason for setting down the Government at Calcutta or Bombay, it seems to be sometimes forgotten that, besides the eight or ten thousand persons who compose this class, there are about two hundred millions of native subjects who have to be considered; and that, even if their opinion be

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not worth ascertaining, it may be worth while, at any rate, to give them the means of forming some acquaintance with their rulers.

Yet, whether the government is settled permanently at Calcutta, or oscillates by a hurried journey between that place and Simla, in either case the great mass of the people see nothing of their rulers. The great durbars which have of late years been held at Lahore, Agra, and Lucknow—where the splendid camp of the Viceroy and his establishments is surrounded by those of the princes and chiefs, assembled from all parts of India to pay their homage—where the visits of ceremony and public receptions constitute a gorgeous pageant, extending over several days: no doubt these grand ceremonials, which form the staple of talk in every town throughout the country, are of great value as an element in the business of administration over a people peculiarly susceptible to the influence of outward appearance. But they are, I venture to think, even less valuable in this respect than the great viceregal progresses which used formerly to be made through the country. These tours, besides bringing home the reality of the government to the people, afforded also to the governors a means of gaining personal knowledge of the country—of its wants and capabilities, and still more of the character and qualifications of the various officials engaged in the administration, such as could be obtained in no other way. The value of the intimate knowledge on these heads, which the Marquis of Dalhousie obtained from his frequent tours, is apparent in every act of his administration, and the difference in the character of Lord Canning's earlier and later government may reasonably be assigned in part to a similar cause.

The abolition of these viceregal tours appears then to be cause for unmixed regret, and no arrangement for the final location of the administration would be completely satisfactory which did not provide for their resuscitation,

in a form adapted to the present improved means of communication. Their expense, it may be added, is perfectly insignificant, compared with the revenues of the country which the Government administers. Indeed, when expense is talked about, the extraordinarily economical character of the ornamental part of the Indian Government would seem to be lost sight of. The whole expenditure on the viceregal civil list and household is far less than that incurred for the head of a third-rate German principality.

The Government should move from place to place,

Under this view, a fixed capital for the Supreme Government is not necessary or desirable, but for a part of each year that Government should follow the old practice—so far modified that the Governor-General would be accompanied by his Council—of visiting from year to year different parts of the country. A different place should be selected each year for the assembly of the Legislative Council, and as the session need not probably in future occupy more than a few weeks, and camp-life is practicable for at least five months in the year during the cold season, it would be possible to make tours from the temporary seat of government throughout the neighbouring provinces, and in this way, with the facilities now afforded by railways, every part of the country might be visited during a five years' tour of office. Nor need Calcutta and Bombay be neglected. Provided the cold season be thus occupied, it does not matter greatly, in the present improved state of communication, for the purpose of supervision and the convenient despatch of business, where the Government may pass the rest of the year; while Simla, or some place near it, is probably on the whole by much the most convenient spot that could be chosen.

during the cold season.

Simla the most suitable residence during rest of year;

It will be useful to lay marked stress on this point, because it is not unusual for writers in the local press to allow their imagination on the subject to get the better of their facts, and to designate the annual settle-

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ment of the Government at Simla as a retreat from the cares of office, and from the influence of public opinion—as if the presence of a few overworked merchants and tradespeople, far too busy in the pursuit of wealth to occupy themselves seriously about public concerns, constituted a necessary aid to the machinery of government—and to represent all business as being for the time suspended. On the latter point, it is hardly necessary to observe that the Government of India has, in itself, no direct administrative functions. The whole country being mapped out into provinces, each of which is provided with its own administration, the business of the central government lies in the supervision of these subordinate authorities, and all its measures are carried out through their instrumentality. This business is, of course, done by correspondence; nor has the Supreme Government any more immediate connection with the government of the province where it happens to be quartered for the time, than with any other part of India. The course of business goes on uninterruptedly throughout the year, but the hot season is usually the busiest part, since those movements of officials throughout the country are then suspended, which during the cold season are throughout all grades of the administration of necessity more or less of an interruption to the labours of the desk. A spot more favourable to the steady pursuit of those labours than this mountain ridge, which offers not even the distractions of an English watering place, could scarcely be found; while as to the situation of Simla, it is but the distance of a day's ride from the great plain which extends from Calcutta to Lahore, and from the trunk line of railway shortly to be completed. The Government, when residing there, is therefore cut off from the supervision of affairs below, just to the same extent as a government residing in London would be incapacitated from controlling Devonshire or Yorkshire. Simla further possesses the great advantage of being pro-

being central

and easily defended.

tected by the largest body of British troops which can be assembled in any part of India, and in immediate proximity to the finest and best-affected nation in the country. From Simla, too, the politics of the frontier can be more directly and efficiently controlled than from any of the other proposed capitals. In fact, the country west of the Sutlej is the natural watchtower of the empire; * in this neighbourhood have been fought most of the great battles which have decided its fate, from the days of the first Mahommedan invasion; and to this point has hastened each Governor-General, on the appearance of danger, from the time when Lord Auckland sent forth from the slopes of Simla the proclamation announcing war with Afghanistan. When the railway system is complete, this part of the country will be nearer to Bombay than will be Calcutta. On the whole, then, the balance of advantages seems to be against any fixed seat of government during the season when movement is possible, and in favour of selecting some central and healthy spot, for a place of resort during the hot months, and where the records and bulk of the establishments could be left during the movement of the cold season. And these conditions of healthiness, central situation, and accessibility, appear to be better satisfied, by some spot on the edge of the Himalaya, north of the country between Agra and Lahore, than by any place that can be named. The question presses for settlement, in view to a termination of the inconvenient, hand-to-mouth fashion in which the business of the Government is perforce conducted, pending a decision of some sort. The public offices are at present scattered over Calcutta, mostly in hired buildings far too small to hold their establishments properly. A large part of the records is huddled away in stables or outhouses, where, in that hot

Importance of settling the question.

* The nearest town in the plains to Simla is Sirhind ['head of India'], which is the watershed of India—the streams to the east falling into the Bay of Bengal, and those to the west into the Indian Ocean.

BOOK II.

and moist climate, their preservation in good order is impossible. While at Simla, the public departments are lodged, for want of better accommodation, in crazy, dilapidated cottages, into the recesses of which, even under an Indian sky, the light of day scarcely penetrates.*

Simla itself was first selected as being the highest ridge (8,000 feet above the sea) in that part of the Himalaya, and for the beauty of the forest in which its summit is clothed. But the place is now overgrown; and is one of the foulest, worst-drained, and worst-kept towns in the country. Something might be done towards improvement, by substituting an efficient management for the existing local municipality, which partakes of the nature of a petty English vestry, while the funds at its command are quite inadequate to the wants of a metropolitan town, even on the Himalaya. But the place has been badly laid out, the best sites have been taken up with unsuitable buildings, and it is to be feared that the process of agglomeration has advanced beyond redemption almost as completely as in the suburbs of London. Other ridges, however, equally lofty and well-wooded and even closer to the plains and the new railway, are available within a few miles, where a new and convenient town might be laid out, with public offices, private residences, and barracks for troops. Raneekhet, a newly established sanitarium in the mountains north of Rohilkund, about 6,000 feet above the level of the sea, presents also many advantages for a new station. In no part of

* The present public offices at Bombay, (new ones are building), are even worse. They present the extremity of squalor and inconvenience. The whole form a striking contrast to the palace in London occupied by the Indian Council, the furniture of a single room in which would purchase the fee-simple of one of the Simla 'public offices.' The same state of things obtains in many other parts of India. In fact, the inference that a stranger or a native would draw from the appearance of most of our public departments, would be that we considered ourselves as occupying the country only on sufferance, and as a temporary arrangement, and were prepared to pack up and be off on the shortest notice.

India could a capital be built so cheaply as in the Himalaya, from the facilities on the spot in the way of building materials, and because in that climate a much simpler and less extensive style of accommodation could suffice for the wants of Europeans, than would be necessary in any part of the plains of India.

BOOK III.

THE CIVIL ADMINISTRATION.

CHAPTER VI.

DISTRICT ORGANISATION.

BOOK III.

Duties of the civil administration.

THE duties of the civil administration of British India are principally connected with the collection of the revenue; the maintenance of order and dispensation of justice; education; and the preservation and extension of public works. The last of these heads will form the subject of a separate Book.

The district the administrative unit.

For the purposes of civil administration each province is divided into districts, which correspond with the 'departments' of France and other continental countries which have a centralised form of Government. The head-quarters or *suddur* [chief] station is fixed at the principal town of each district, where reside the group of English officials with their establishments, who represent the government of the province, and form the medium of communication between it and the people.

Extent of an Indian district.

The number of districts in the different provinces varies according to their size and population. Bengal, which is both the largest and most populous province in India, contains thirty-five districts, exclusive of Assam and the other extensive outlying countries not subject to the general regulation law. The Punjab contains thirty-two districts, the North-West Provinces twenty-

nine, the Central Provinces, Madras, and Bombay each nineteen. The average size of a district varies considerably in the different provinces. Some of the Madras districts contain more than 12,000 square miles, a larger area than that of Belgium, and the average Madras district is a good deal larger than Yorkshire. In Bengal and the North-West Provinces, which are generally the best-cultivated parts of India, the districts vary in size from 1,200 to 6,000 square miles, and the average area is somewhat larger than that of Devonshire. The average population of a district is about one million in Madras, Bengal, and the North-West Provinces; three-fourths of a million in Bombay; and half a million in the Punjab and Central Provinces.

Head district official the collector and magistrate.

The representative of the Government in each district is the officer who fulfils the united but distinct functions of Collector and Magistrate, and the system of administration pursued is that which was established by Lord Cornwallis, with various modifications which have been developed by the course of time. The principal change has been the junction of the two offices, in place of the maintenance of both a magistrate and a collector. The magistrate, moreover, under Lord Cornwallis was also district judge, a post now held by a separate officer.

Duties of collector—in regard to land revenue;

The Collector, in that capacity, is the agent of the Government for the collection of the district revenue, the principal item being derived from the land, of which the Government is deemed to be the landlord or proprietor. His duties in this respect vary according to the nature of the tenures under which the land is held. In Bengal and a portion of the North-West Provinces, the land has been leased for a perpetuity in large estates at a fixed rent, under the arrangement known as the 'perpetual settlement,' effected by Lord Cornwallis; and the ordinary business of the collector is confined to receiving the sums payable by the renters at certain fixed dates. In the North-West Provinces and Punjab the

BOOK III.

leases at present run for terms varying from ten to thirty years, and are granted direct for much smaller estates, the community of each village usually taking a lease for its own lands. In Madras, where the ryotwar [or what may, roughly speaking, be termed the cottier] system obtains, the settlement is annual, and, in some districts, the separate leases granted every year by the collector number many thousands. His court is also the office of registry, where are recorded all leases, and the particulars of all landed rights with which the Government is concerned. Besides performing these duties as Government land-agent, the collector is also vested with certain judicial powers, in executing the claims of Government against defaulters, and in determining claims which arise of tenants holding from Government against their under-tenants for arrears of rent—on the principle that, since the Government exacts punctual payment of its own rents, it is bound to afford its tenants means of obtaining their rents in turn. He superintends the partition of estates, and regulates the distribution of the Government assessment among the different subdivisions. He has also in certain cases to assume direct management of the landed property of minors renting land from Government, acting in this respect in a capacity resembling that of the English Court of Chancery, in respect of the wards in his district.

other kinds of revenue;

The rent from land constitutes the principal source of Indian revenue, and its realisation occupies the principal part of the collector's time. He is also the representative of Government for receiving all other descriptions of revenue levied from his district, acting as superintendent of excise, and assessor of the income, licence, or other personal taxes.

as district treasurer;

He is also the Government treasurer, as well as the banker for the different public departments, which keep their public moneys in his treasury, and make all payments by means of cheques on the collector. In addition to these duties, he acts as

president of the local committee which, analogous to the English county boards of justices, is charged with the maintenance of the district roads from certain local cesses; in some parts of India he has also the charge of the numerous tanks which supply water to the cultivators, and they are repaired and maintained under his superintendence.

duties connected with public works.

In his capacity of magistrate, the same official is the general representative of Government within his district. With him rests the responsibility for peace and order being maintained, the superintendence of the police, and the management of the jail. It is to him that all classes of the people look for aid in times of disturbance, and by him would be initiated any proposals needful for cases of emergency, as well as, at all times, for the improvement or wellbeing of the district. In this respect his position resembles very much that of the *préfet* of a French department. In addition to these general responsibilities, the Indian magistrate has extensive judicial as well as ordinary magisterial functions. As his name imports, his court is the tribunal for first investigation of all criminal cases; but only those involving a heavy punishment are committed to the court of session. The rest he finally disposes of himself, his powers extending to a sentence of two years' imprisonment, and fine of one thousand rupees [100*l.*]. This arrangement is derived from the system originally established by Lord Cornwallis in Bengal, which was gradually extended to the other regulation provinces, as they came under British rule, and under which the offices of district magistrate and judge were united in the same person; although, it should be observed, the district judge had at this time no criminal jurisdiction, the jail deliveries being made by a separate court of circuit. The collector was a separate officer, whose establishment dates from the time of Warren Hastings, when the management of the revenues of Bengal was first directly undertaken by the English.

Duties of magistrate: general—

magisterial—judicial.

Reason for junction of the two offices.

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Subsequently, the duties of the magistrate were separated from those of the judge (as part of a reconstitution of the system of judicature which need not be detailed here)—the former, however, being vested with the judicial powers above-mentioned, in view to relieving the pressure of business which had arisen in the higher court. Thus it fell about, that the office of collector having a higher salary attached to it than that of magistrate, the course of a civilian's promotion came to be from magistrate to collector; and thus the former grade was usually held by officers of comparatively small standing and experience. To remedy this practical defect, the offices of magistrate and collector were eventually united in the same officer. In the North-West Provinces, Madras, and Bombay, this amalgamation was carried out many years ago; in Bengal the change is of comparatively recent date.

Joint Magistrate.

The Joint-Magistrate and Collector comes next in rank of the district officials. This officer has passed all the tests imposed by the regulations of the service; and, as his name imports, he has coequal powers with the magistrate and collector in the hearing of all suits brought before his court. He acts, in fact, as the deputy of the latter, for the disposal of such portion of the various business of the district in all departments as the magistrate may make over to him. In Madras and Bombay this officer is styled Sub-collector and Joint-Magistrate.

Assistant-Magistrate.

An Assistant-Magistrate and Collector, with the official status of Subordinate Magistrate of the First or Second Class, is usually attached to each district, also a covenanted civilian; in the first instance *in statu pupillari*, with but trifling powers, which are gradually extended, until, after passing two examinations in the practical business of the administration, he is vested with the full powers of a magistrate, and is eligible for promotion to the post of joint-magistrate on the occurrence of a vacancy in the province. These examinations are held annually, at some central point in the province, by com-

mittees consisting of civilians of standing, and embrace the subjects connected with the practical business of the administration—especially the vernacular languages, the land tenures of the province, the procedure of the courts, and the laws and regulations of the country.

Deputy-Collector.

The Deputy-Collector of the district is an uncovenanted officer, appointed to the public service by the government of the province, and may be either a native or European. This officer is sometimes also a deputy-magistrate, but generally he is employed only on revenue duties, and he has usually executive charge of the district treasury and accounts, under the general responsibility of the collector.

District subdivisions.

For administrative purposes, the district is divided into a convenient number of subdivisions—usually from six to eight—termed tehseels in Upper India, and talooks in Madras and Bombay, each under the charge of an officer, styled tehseeldar or talookdar, who acts as the deputy of the collector; the land-revenue being paid into his office in the first instance, and remitted by him to the collectorate. He is also the agent and representative of the magistrate with respect to his talook or tehseel, and sometimes holds the rank of deputy-magistrate. This officer is almost invariably a native; and the post is the highest in the revenue line, except that of deputy-collector, to which any uncovenanted servant can attain. As a general rule, the collector distributes the business of his district between himself and the joint and assistant-magistrates, by making over to each of them the charge of a certain number of tehseels, retaining of course a general superintendence over the whole. In some parts of the country, the joint-magistrate is required to reside, by himself, at an outstation of the district.

Deputy-Magistrates in Bengal

In Bengal, where the land is let in large holdings, the districts are not divided into tehseels or talooks, but the revenue is paid direct into the collector's treasury. In this province, however, the districts, some of which are

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exceedingly extensive, are usually divided into several subdivisions, each under an uncovenanted deputy-magistrate, who may be either a native or European. Most of the deputy-magistrates have the full powers of a covenanted magistrate.

District court-house.

The central courthouse is, of course, at the head-quarters of the district, and is generally placed a little outside the town, near the residences of the English officials. It contains a separate court for each of the officers above-named, an office for the collector's clerks, a muniment-room for the district records, and a strong-room for the treasury. The different officers of the court are always natives, and the proceedings are conducted and recorded in the vernacular language of the district. The correspondence of the magistrate and collector with his superiors, and with the officials of other departments, is carried on in English, and the clerks of the office may be English, East Indians, or natives.

District Police.

Until within a few years ago, the Magistrate was also at the head of the Police of his district, and it was his duty to apprehend criminals as well as to try or commit them. But a radical change has been made in this respect, since the establishment of the new constabulary; and the police-force of each district is now under the control of a Superintendent (often a military officer), with a staff of inspectors, some of whom are Europeans, usually taken from the army. With respect to the distribution and movements of the police, the preservation of order, and the repression of crime, the district superintendent occupies a position of subordination to the magistrate, who in this as in other matters is the head authority and representative of government within his district. In matters connected with the general organisation of the force—the pay, clothing, promotion, and so forth—the district superintendent takes his orders from a provincial inspector-general of police, who resides at the head-quarters of the provincial government.

The district jail is usually in charge of the district medical officer (who is styled the civil surgeon) under the general responsibility of the magistrate. In this jail are confined all prisoners undergoing short sentences. Those sentenced to long terms—that is, extending beyond two years—are removed to central jails, of which there is usually one to every five or six districts. Persons condemned to transportation for life are transported to Port Blair, a convict settlement at the Andaman Islands, in the Bay of Bengal, or to the neighbouring Nicobar islands.

District jail.

It has already been stated that the collector is the assessor of the income, licence, or any other personal tax that may be levied. He has also usually the superintendence of the excise within his district. In some parts of India the sale of spirits is a government monopoly, and the manufactories of spirits are government establishments, leased out to contractors, who pay duty on the amount of spirit they distil. In other parts the whole business is farmed out, the right to manufacture and sell spirits within the district, or a portion of it, being sold by auction to the highest bidder.

Superintendence of excise,

A considerable part of the Indian revenue is derived from the stamp-duties. Stamps are sold to the public by licensed vendors, who obtain their supplies from a depot, kept in the collector's treasury.

and of stamps.

The channel of communication between the Government and the district officer varies in different provinces. In Bombay the intermediate agency is a Commissioner, of whom there are three—besides one for the non-regulation province of Sind, to whom the collectors are subordinate in all business except that connected with the trial or commitment of prisoners to sessions in the magistrate's court. In Madras, the head authority in revenue business is a board, but the collector-magistrates are in direct communication with the Government in all miscellaneous affairs. In Bengal and the North-West Pro-

Duties of Commissioner of revenue.

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vinces, boards of revenue are maintained, but there is also a staff of Commissioners, each with the charge of a 'division,' comprising usually five or six districts; so that in all matters one, and in revenue matters two, authorities are interposed between the district officer and the Government. It may be remarked however that the Madras districts are the largest of any, and the collection of the land revenue appears to involve more labour in that presidency than in any other part of India, by reason of the minute subdivision of land that obtains there, and the system of granting annual leases. Where there is a Commissioner, he resides at the head-quarters of the most central of the districts in his division, and is, of course, the highest official there. In Bengal, where also the double establishment of commissioners and a revenue board is maintained, the collection of the land-revenue is nevertheless exceptionally simple. It should be added that the commissioners, when first appointed, under Lord William Bentinck's administration, in 1829, were judicial as well as revenue officers. They replaced the provincial courts of session, which were established by Lord Cornwallis, and held periodical jail deliveries in the various districts under their supervision. These judicial duties were eventually transferred to the judges of districts, who until then had exercised a jurisdiction in civil suits only.

District judge.

The head judicial officer of the district is the Civil and Session Judge, a covenanted civilian, whose courthouse is usually established separate from, but in close proximity to, the collectorate. In his latter capacity he holds a monthly jail-delivery, for the trial of all prisoners committed by the magistrate or other officers having the powers of one; he also hears appeals from the judgments of those officers. His power extends to a sentence of fourteen years' imprisonment or transportation for life. Sentences of capital punishment have to be referred to the High Court before they are carried out. On the civil side the judge has a general superintendence over the course

Native judicial officers.

of justice in the district, the civil courts in which are numerous, and presided over by native judges, whose appointments and promotions are made on his recommendation. The lower class of judge is styled a Munsiff, in whose court must be tried all original suits involving amounts not exceeding one thousand rupees (100*l.*). The higher native judicial officer is called Subordinate Judge, and his jurisdiction in civil suits is even greater than that of the covenanted district judge, since it extends to all suits irrespective of the amount involved, whereas the judge's jurisdiction is limited to original suits not exceeding ten thousand rupees (1,000*l.*). Appeals from the Munsiff and Subordinate Judge, in small suits, are preferred in the court of the District Judge; appeals from the decision of the latter, and of the Subordinate Judge in cases exceeding ten thousand rupees in amount, are made to the appellate court of the province.

Proceedings of district judicial courts.

The proceedings of all the courts are conducted and recorded in the vernacular, the officers of the courts and the suitors being ordinarily acquainted with that language only; but the district judge, in all cases tried before him, is now required to take down an abstract of the depositions or affidavits of the examination of witnesses in his own hand, and to record his judgment, also in his own hand, in English. This is in addition to the vernacular papers of the case, which contain all these particulars in full detail. The record of every case is filed in the court where it was tried, available to be sent forward to the higher court, if the case is appealed.

The High Courts.

The chief seat of judicature in these four provinces is the High Court, situated at the capital towns, the judges of which consist partly of civilians, partly of barristers, selected either from the Indian or English bar, all of whom are appointed by the Crown, and hold their seats during good behaviour. Under the Act establishing these courts, pleaders at the bar of Indian courts are also eligible for judgeships, and two native gentlemen of that

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profession have been, at different times, elevated to the bench of the High Court at Calcutta.

Their jurisdiction and functions.

The High Courts have original jurisdiction in the trial of European British subjects (over whom the district courts have no authority for criminal offences committed within the province, except in petty cases, which the district officer deals with in his capacity as a justice of the peace), and for offences committed by all classes within the limits of the capital towns—for which purpose periodical sessions are held—as well as in civil suits arising out of transactions within the presidency towns. One or two of the judges are usually wholly employed on this class of business, but the principal functions of the Court are performed on the appellate side. All capital sentences passed by district judges are referred to the High Court for confirmation before being carried out, and appeals are heard in it from the decisions of a district judge on the civil or criminal side, and in civil suits from the courts of the subordinate judges. The High Court has also a general superintendence over the course of justice as dispensed in the various courts of the province.

Bar of district and High Courts.

The bar of the district courts consists of certificated pleaders whose qualifications are tested by examinations conducted under the orders of the High Court. The bar of the High Court consists of pleaders, native and English, and barristers-at-law. The bar may plead either in the vernacular or in English. Interpreters are employed in the High Court to translate the evidence of witnesses and the vernacular papers attached to the cases appealed, for the information of such of the judges as may not be acquainted with the native languages. The appellate court, as a rule, deals solely with the written record of the case, and admits not fresh evidence.

Free use of appeal permitted.

The system of Indian law provides for a very free use of the right of appeal. Every case tried in the lowest civil court, that of a munsiff, can be appealed to the

judge's court of the district, while all suits involving more than a certain sum can be carried in appeal from the district to the High Court, and others can be appealed finally to the Judicial Committee of the Privy Council in London. This freedom of appeal has been deemed to be a necessary condition of the constitution of the Indian law-courts. The inferior social condition of the native judicial officers of the lower courts; the imperfect training, very often the entire want of training, of the European judges; the total absence, so far as the district courts are concerned, of the restraint exercised in European countries by an honest and highly-trained bar, and by the criticism of a free press—render a supervision over the proceedings of the Indian law-courts from some higher authority especially desirable. A district court is never visited by anyone except the suitors; the only record of the proceedings is contained in the judge's own report; and therefore the only check afforded on them is the review of the record on appeal by the higher court. Under these conditions, a free right of appeal is absolutely necessary to ensure the suitor a reasonable chance of obtaining a remedy; but the exercise of this right, and the complicated procedure enjoined by the regulations, render Indian lawsuits extraordinarily protracted and expensive; and it would be difficult to say whether the litigious character now manifested by the people in those parts of India where British law-courts are established, is a cause or an effect of those institutions. Certainly, the apparently capricious way in which the judgments of each court often appear to be upset by the next, which renders the final issue of a law-suit a matter of uncertainty until the highest court of appeal is reached, in a degree unknown in any other country in the world, is calculated to promote a spirit of reckless gambling in law, among a people to whom most kinds of excitement are not available. At any rate, if the Indian system of appeal was favourable to the rich suitor, who failed to obtain justice in the first

Its good and bad effects.

BOOK III.

trial, it as often as not barred the road for justice against the poor man, who practically was without a remedy at law until the late introduction of small cause courts.

Small cause courts.

These had been established in the three presidency towns for some years, with a jurisdiction over suits not exceeding 500 rupees (50*l.*), and limited to the class of cases which can be dealt with by the English county-courts. Their powers have lately been extended to cases involving twice that amount, and similar courts are now being gradually established in every considerable town throughout the country. The judges are chosen from the district officers, from the European and native bar of the High Court, and from the native judiciary. In many cases, also, the office of judge of a small-cause court is held in conjunction with some other appointment, as that of Assistant-Magistrate, or Principal Suddur Ameen. The fees of these courts are moderate, the procedure simple, and no appeals are permitted from their decisions, except in special cases and under certain narrow conditions. Altogether, the introduction of these courts is one of the greatest improvements which modern legislation has conferred upon the country.

CHAPTER VII.

THE NON-REGULATION PROVINCES.

Nature of the Indian Regulations.

In the foregoing account of the civil administration, and of the duties of district officers, the system in force in what are termed the 'regulation' provinces has been mainly kept in view. The Regulations referred to, are those notified enactments of the Government, which are formally promulgated for public information. The practice of issuing formal Acts or Regulations from the council-chamber was first introduced during the rule of Lord Cornwallis, for the territories under the Government of Bengal, previously to whose time there were no certain rules of conduct laid down for the guidance of officials, nor any definite laws recorded to govern the action of the people. These regulations were subsequently extended to the North-West Provinces, on their annexation in 1801; and a similar system of regulations was introduced about the same time into Madras and Bombay, by the governments of these Presidencies, in close imitation of the Bengal Regulations. In 1833 the power of those governments to frame regulations was withdrawn, and henceforward regulations, or (as they were now termed) *Acts*, for all four provinces were passed by the Governor-General in Council. This arrangement lasted until 1853, when the functions of the executive government as a framer of laws were superseded by the Legislative Council established in that year. These Regulations and Acts of the Government, which have the same force in India as have Acts of Parliament in the United Kingdom,

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besides defining the composition and jurisdiction of the various courts, and the functions of many departments of the admininistration, also prescribe the course of procedure to be adopted in the prosecution of suits. No code of laws was promulgated in the first instance. The course of justice was to be made conformable to the customs of the country, and to the precepts of the Mahomedan and Hindoo laws, so far as they could be ascertained and (on the criminal side) were not altogether repugnant to European notions; and various enactments were passed from time to time, modifying those laws, altering the degrees of penalties, declaring certain offences to be penal, and so forth. The bulk of the Regulations, however, had reference to the procedure of the civil and fiscal courts; they supplied by law the provisions of a procedure, which in England and elsewhere has been the development of immemorial custom; and their result has been to create artificially, and *per saltum*, almost as complicated a procedure as in countries of older civilisation has been brought about gradually by the accumulated pedantries of ages, under which the issue of an Indian lawsuit came to depend as much on the observance of nice and tedious formalities as on the merits of the case.

Certain districts exempted from their operation.

But, whatever might be the opinion held by the framers of these Regulations, of the benefits conferred by them on the body of the people, it was admitted that, to some of the races of India at least, so technical and complicated a procedure was unsuitable and pernicious. Accordingly, from an early date after their first promulgation, some parts of the Presidency of Bengal were specially excepted—by a regulation passed for the purpose—from the operations of regulation law, while a large part of the territories subsequently added to the British dominions has never been brought under it. Of the former class may be named the Sonthal districts south of Bhaugulpoor, and the wild country in the south of

Behar; among the latter the great province of Assam. The extensive countries ceded by or conquered from the Mahrattas in 1818 were also not brought under the regulations in the first instance, but a limited part of them was subsequently attached to the Bombay Presidency. This was the last acquisition of importance to the realm of regulation law. Not only was the difficulty to be encountered, in the case of subsequent annexations, of suddenly introducing an entirely novel system of administration and jurisprudence into a newly-conquered country; but it was felt, by those who had to deal with those territories, that, apart from its unsuitability to the special conditions of the time, the procedure of the law-courts enjoined by the Regulations was needlessly cumbersome and dilatory, even if it were not otherwise ill-adapted to the circumstances of a simple and ignorant people; and, still more, that they limited the authority and power of action of the Government, to a degree incompatible with the proper management of a newly-conquered country. For these reasons, probably, no subsequent additions to the British Empire were brought under regulation law, but they were administered simply by the orders of the Governor-General in Council, communicated to the head of each local administration, which might or might not be made public. Generally speaking, the local authorities were instructed to conform to the spirit of the Regulations, but to dispense with the complications of formal procedure which overlaid the course of justice under their operation, and especially to dispense with the use of professional pleaders in the conduct of lawsuits.

Non-regulation now more extensive than regulation provinces.

It will be understood from the foregoing account that, in the first instance, the non-regulation provinces were the exception. British India generally was, in effect, subject to one uniform code of regulations, since the regulations of the three Presidencies closely resembled each other, only a few sparsely-peopled and uncivilised

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tracts being exempt from their operation. But the addition of the Punjab—now enlarged by the transfer to it of the Delhi Territory—Oudh, Burmah, Sind, the Central Provinces, and Berar, entirely altered the relative importance of the two portions of the empire. The number of non-regulation districts now became in excess of those under the Regulations, and the state of the Indian law was in consequence altogether anomalous. While the inquirer would find the fullest provision made for a trifling alteration in the fees of a munsiff's court, he might search through the whole body of the Regulations, without finding so much as an allusion to what is now the larger part of the empire. The non-regulation provinces were excepted from all legislation by silence. The case is thus not altogether unlike what we might conceive of the United Kingdom, supposing that Acts of Parliament had force in a part of England, a part of Scotland, and a part of Ireland, while the remaining parts of those countries were entirely exempt from their jurisdiction, and subject to no defined law whatever, the governors of them being merely instructed by the ministry of the day to rule according to the spirit of those Acts, so far as they might consider them suitable and convenient. This analogy, however, is by no means complete. It is conceivable that a part of a country might, for political reasons, be removed from the action of the legislature, and made subject only to the jurisdiction of a separate authority, such as the Privy Council, or even a single Secretary of State. On this head there is the example of the crown colonies. But in India the very same authority controls both regulation and non-regulation provinces. In the one case, enactments were passed by the Governor-General in Council in his legislative capacity, under the authority created by Act of Parliament; in the other case, orders were issued by the Governor-General in Council in his executive capacity, which might or might not be made public, regarding ter-

Peculiar state of Indian law on this head.

ritories the existence of which was ignored by Parliament. Consequently, up to the time of the establishment of the Indian Legislative Councils, the non-regulation provinces were precisely on the same footing as foreign states, in the eye of the English law. That law empowered the Indian Government to make regulations for any portion of its territories, but it was silent as to those territories for which regulations were not made; and the courts established in the latter appear to have had no legal status, except so far as it might be deemed to be conferred by the will of the conqueror. An appeal could not be made, for example, to the Privy Council, from the decision of a court in any non-regulation province, any more than it could be made from the award of a native prince in a suit between his subjects.

It is, perhaps, the severest commentary that could be passed on the value of the Indian Regulations and the Acts which succeeded them, that the benefits to be conferred by them should thus have been deliberately withheld from more than half of the districts of British India;* but what we are more concerned now to observe is the course of the change which has been brought about of late years in the state of the law. The Indian Councils Act of 1861 established Legislative Councils for Madras, Bombay, and Bengal—three out of the four regulation provinces. Henceforward, therefore, if the

Action of new Legislative Councils with regard to non-regulation provinces.

* The districts of India are as follows:—

	Regulation	Non-regulation
Bengal . . .	35	19
Madras . . .	19	—
Bombay . . .	14	5
North-West Provinces .	29	6
Punjab . . .		32
Oudh . . .		12
Central Provinces .		19
Burmah . . .		13
Berar . . .		4
Coorg . . .		1
Total . .	97	111

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supreme Legislative Council of India had not legislated for the non-regulation provinces, it would have had little or no occupation, and accordingly from this date the Acts of the Government of India have been extended to all the British territories. The necessity for doing so first arose in 1860, when the income-tax was established. It would of course have been possible to levy that tax in the non-regulation provinces, under the same authority as all other taxes are still levied there—the will, namely, of the conquerors of the country, signified through an order of the Governor-General in Council to the head of the local administration. But it was deemed advisable to make the enactment of general application throughout the country; and this constitutes the first instance of universal legislation for British India, and the recognition by the law of the non-regulation provinces. Hence-forward the Acts for imposition of new taxes—stamps, licences, &c.,—have usually followed the same course; but the great change has been made by the introduction of the Penal Code in 1861, whereby all British India has been placed under one body of criminal law. The Code of Criminal Procedure has also been introduced into all provinces.

Thus the old distinction of regulation and non-regulation provinces has now been swept away, so far as the original meaning of the names went. The distinction now remaining between the two, is merely that there are some provinces where more numerous and older regulations are in force than in others; there is no longer any province regarding which there are not now established Acts or Regulations of some kind. Further, the Indian provinces are no longer divisible into two main classes, each possessing the same body of laws respectively. The so-called non-regulation provinces were wholly excluded from the operations of legislation until 1861, but they have not been entirely included since that time. Many laws subsequently passed have not been made applicable

to all the non-regulation, nor indeed to all parts of the regulation provinces. Further, special laws have been passed for separate provinces. Thus the Chief Court of the Punjab has been established by a special enactment; the Recorders' Courts of Burmah by another; and the different civil courts of those and the Central Provinces have been recognised in the same way, a separate Act being passed in respect of the courts of each province. This course of legislation, it may be observed by the way, has produced a curious result, arising out of the partial legality thus conferred on the status of the more newly-acquired provinces. Thus the tehseeldar's court of the Central Provinces has a legal status; but there is no law on record recognising the existence of the Chief Commissioner of those provinces, nor indeed any law constituting those provinces a part of British India. So also, while the levy of a duty on incomes in these provinces is authorised by an Act of the legislature, there is no law empowering the Government to levy the much more productive tax on the land throughout them. Anomalies of this sort are certainly to be found in all civilised countries, especially those whose constitutional history extends far back into the past. England presents abundant illustrations of the commixture of offices performing functions prescribed by distinct enactments of the legislature, with others the source of whose authority is either lost in the traditions of antiquity, or is clearly derived from an origin which would now be deemed insufficient to confer it. The peculiarity in this respect special to India, is to be found in the circumstance, that the anomalies and inconsistencies which now exist in the state of the law have not thus arisen out of the natural course of things, but have been artifically created.

Anomalous state of law resulting.

Our object here, however, is not to enlarge on this point, but merely to obtain a clear view of what is meant by the distinctions, 'regulation' and 'non-regulation.' It will be plain, from what has been stated, that the broad

Distinction between regulation and non-reglation provinces obsolete;

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line of demarcation heretofore maintained between the two classes of provinces no longer exists, and further that no distinct division can any longer be made, of provinces to which a certain body of substantive law applies, and others to which it does not apply at all. Each province now possesses already one or more special laws of its own, and the tendency of legislation is towards a further development of this special character. Another great change gradually taking place is the introduction, by parts, of a code of civil law, which either supersedes large portions of the old regulations, or supplies laws on subjects heretofore not treated of. The general result of these changes is entirely to break down the distinction between a 'regulation' and a 'non-regulation' province. These terms are clearly now quite obsolete, and inappropriate to the facts; and like the title 'presidency,' their use may henceforward be discontinued with advantage.

except as regards staff of civil administration.

Although however these distinctions are no longer applicable for representing the operation of the law, the two classes of provinces still differ in one important respect—the composition of the administrative body. The Act of Parliament of 1793 provides that all posts in the civil branch of the administration should be filled only by members of the covenanted civil service, and this condition is still in force, with certain qualifications to be noticed hereafter. But, like all the other enactments of Parliament, the provision was applicable to the regulation provinces only. The administrative staff in other territories could be filled up in any manner thought proper by the local government, and it has in each case been composed either wholly or in part of military officers, while a few uncovenanted servants have occasionally been elevated to the charge of districts. This arrangement has arisen out of the manner in which the administration of these territories has been assumed. On the annexation of a province taking place, the political [diplomatic] officers stationed in the country at the time

Military officers employed in non-regulation provinces,

have naturally been employed in the first instance to administer it. This happened in the case of the Punjab, which had been governed for two years previous to the annexation, nominally by a native Council of Regency, but actually by the Resident and a staff of assistants, principally military officers. The members of the civil service, moreover, being usually fully employed in their regular duties in the regulation provinces, could not on such occasions be supplied in sufficient numbers to undertake the whole administration; and, finally, the rate of emoluments for these new acquisitions has been always fixed on a lower scale than obtained in the regulation provinces. On these accounts the administrative staff of the former has usually been made up, partly of civil and partly of military officers, the former receiving promotion to a higher relative position on the occasion of transfer, as an inducement to leave their regular employment. Within the province, on the staff being once formed, promotion goes on nominally through the whole body by selection, without reference to class, and in the lower posts military officers are promoted in succession to civil, and *vice versâ*, indifferently; but it is understood that the civilians shall be deemed to be entitled under all circumstances to a certain proportion of the higher appointments, without reference to their comparative seniority or standing in the commission. This arrangement is necessary to place them on a footing of equality with their contemporaries in the regulation provinces in respect of emolument; and for the same reason a civilian is deemed to be entitled to return to the latter, if his promotion lags unduly behind theirs. The province of Burmah, as has been already mentioned, is in some degree on an exceptional footing in this respect. The language, religion, and customs of that country being altogether different from those of India, the administrative staff employed in it is necessarily retained there permanently, and the higher posts can only be filled

as well as civilians.

Mode of regulating promotion.

Exceptional case of Burmah.

BOOK III

properly by officials whose training has been undergone in the province; and as the junior appointments are on a less favourable footing than the corresponding ones in the regulation provinces, the prospects afforded by employment there are not sufficiently good to attract civilians to it, and the staff of the commission is composed wholly of military men.

District organisation.

As regards the mode of administration in these provinces, it differs somewhat in different countries; but the system introduced into the Punjab in 1849, and which was attended with marked success there, has been copied, in its main features, in all subsequent annexations. In every case the same district organisation obtains as in the regulation provinces; but the officer in charge, who performs the duties of magistrate and collector, is styled Deputy-Commissioner; in place of a joint and assistant collector, there are Assistant-Commissioners; while the uncovenanted officer who acts as deputy-collector is styled Extra-Assistant-Commissioner. The immediate superior of the Deputy-Commissioner is the Commissioner, who has charge of a Division comprising from three to five districts, and is the channel of communication between the district officers and the Government. In some of the provinces, an officer, styled Financial Commissioner, fulfils the duties of the Board of Revenue. But, although termed a commissioner of finance, this officer is really concerned with the revenue, and not the finance, of the province. In the Central Provinces and Burmah, the supervision of the revenue is undertaken directly by the head of the administration.

The Deputy-Commissioner.

Assistant-Commissioner.

Commissioner.

Financial Commissioner.

District courts.

In respect to the law-courts, the Deputy-Commissioner and his assistants fulfil the functions which in the regulation provinces are performed by the various native and European judicial officers. In criminal matters, the Deputy-Commissioner acts both as magistrate and judge, his powers in the latter capacity extending to cases which are punishable by imprisonment for seven years. Graver

offences are committed to the Commissioner's Court for trial. The Assistant-Commissioners also exercise penal jurisdiction, with powers varying according to their standing. In respect to civil suits, the powers of the Deputy-Commissioners are considerably more extensive than those of a district judge in the regulation provinces. The courts of the Assistant-Commissioners also take cognisance of civil suits up to certain specified amounts, while the Tehseeldars occupy the place of Moonsiffs, but are only empowered to try cases involving not more than 300 rupees (30*l.*). The Commissioner's Court is a court of appeal for all the districts within his division.

Punjab Chief Court and Judicial Commissioner.

The head judicial authority in the Punjab is vested in a Chief Court, consisting of one barrister and two civilian judges, the senior of the three presiding. This court is of very recent creation, until which the appellate court was composed of a single officer, styled Judicial Commissioner—a plan which has been followed in Oudh and the Central Provinces. This officer, beside receiving appeals, exercises a considerable degree of supervision and control over the administration of the subordinate courts, acting, in fact, as a minister of justice; while, until the new Indian Codes were established, it rested with him to prescribe the legal procedure to be followed throughout the province. This appointment of single officers, to perform the functions fulfilled in the older provinces by collective bodies, was the result of a reaction of opinion which set in during Lord Dalhousie's rule against boards and benches; but in the case of the courts of justice the change would appear to be defective, since the value of a power of appeal is diminished when it is made to a single judge.

Administration of smaller provinces.

The system of administration in Berar and Mysore closely resembles that in force in the other provinces, but the establishments are necessarily on a smaller scale. The particulars of difference need not be detailed here.

CHAPTER VIII.

THE CENTRAL DEPARTMENTS.

BOOK III.

Subject—the departments which are not organised by districts.

THE two preceding chapters have contained an account of the duties of the different district officials, who, with their superior supervising officers, constitute the principal part of the executive agents of Government. There remains to mention, briefly, the different administrative departments,* employed on duties principally connected with the revenue, which do not follow the course of district organisation, but are more or less centralised under the provincial or supreme governments.

Customs—sea,

The sea-customs are principally collected at the ports of Calcutta and Bombay, but there are also customs establishments at Madras and other minor ports. The collectors at the three presidency towns are chosen from the civil service; the subordinate establishments are uncovenanted officers in various grades. Their mode of collecting the duties does not materially differ from the system in vogue at European ports.

Salt—N.W. and Central Provinces.

There is, however, a very extensive line of customs patrols extending across the North-Western Provinces,

* It may be as well to note here, that the word 'department' is used in India to denote two different things. The Home Department, Military Department, &c., are the bureaux in which the business of the government in its various branches is transacted. The Education, Opium, Customs, Commissariat, Ordnance, &c. Departments are the names given to various bodies of officials engaged in the various executive employments indicated by those names. Sometimes the same title is used to denote both things. The 'Public Works Department' means the office wherein the business of government is conducted which relates to public works. It also means the collective staff of engineers and subordinates engaged in the construction of works throughout the country.

Central Provinces, and Punjab, for the purpose of levying a duty on the salt manufactured in the salt-lakes of Rajpootana, on its importation into British territory; as well as a duty on the export of sugar. The head officer of this department, whose duties bring him into communication with various provincial governments, is a covenanted civilian; under him is a staff of European deputies and inspectors, each in charge of a certain length of line, and the establishment of native patrols stationed along it.

Madras, Bengal, Punjab.

In Madras the manufacture of sea-salt is a government monopoly, and is conducted by a special establishment organised for the purpose. A similar manufacture of salt in Bengal has lately been abolished. In Bombay the manufacture is left to private individuals, and an excise levied on the out-turn. In the Punjab there are extensive salt-mines, on the produce of which an excise is levied. The salt departments are everywhere subordinate to the provincial Board of Revenue or other head revenue authority of the province.

Opium.

A large part of the Indian revenue is derived from opium, the bulk of which is exported to China. This drug is grown in some of the mediatised states of Central India, and is sent to Bombay for exportation under a heavy transit-duty. In Bengal the growth of opium is a government monopoly. No cultivator is allowed to grow the poppy except under special licence, and he is required to sell his crop to the government agent. There are two factories at which the raw opium is worked up and packed in a form fit for exportation, one at Patna in Bengal, and the other at Ghazeepore in the North-West Provinces, both the establishments being however under the orders of the Bengal Board of Revenue, the Government of which province alone deals with this branch of the revenue. The opium, after being worked up and packed at the two manufactories, is sent to Calcutta, and there sold by auction to the highest bidders. The management of this branch of the revenue employs a con-

Bombay.

Bengal.

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siderable staff of officials. The opium-growing countries are mapped out into districts, each under a superintendent (styled Deputy Agent), who determines the area of ground to be planted by each cultivator consenting to, or desirous of growing opium; inspects the crops while on the ground, and makes the needful advances without the aid of which no Indian peasant can bring his crop to market; receives the crop when ripe; settles with the cultivator, and forwards the raw drug to the factory. The very large price obtainable for opium under this system of monopoly, compared with the cost of production, of course renders a great degree of supervision necessary on the part of the deputy agents, to ensure that all the opium produced is brought to the factory. The two Opium-Agents, who have charge of the factories at Patna and Ghazeepore, and of all the agencies subordinate to those establishments respectively, are chosen from the covenanted civil service; all the other appointments are filled by uncovenanted officers.

Forests.

The management of the extensive forest tracts in various parts of India has until lately been conducted on no settled plan—it would be more correct to say perhaps under no plan whatever—except in one or two provinces. But within the last few years the rapid progress of the denudation of the forests, arising out of the great demand for timber for railway purposes, and to be exported to Europe, has attracted attention, and active measures have now been taken to secure the proper management of this important item of the state property. To every province which contains any forest tracts worth preserving, a Conservator of Forests has been appointed, with a staff of European assistants. The greater part of the forest tracts are state property, which under the denomination of waste land has never been alienated; but leases have also been taken of those forests which belonged to private individuals, or to the chiefs of native states, and are conveniently situated for working; so that the whole are

now directly under Government management; and active measures are being taken, by strict conservancy and planting operations, to repair the waste of previous years, and to maintain a constant supply of timber fit for use. In most parts the timber is felled and brought to market by the officers of the department; but, in some provinces, licences are granted to private individuals to fell and carry away timber, under specified regulations and conditions.*

Mint.

There are two mints in India—at Calcutta and Bombay, the masters of which are officers of the central government, and directly under the orders of the Financial Department. The Mintmaster is also commissioner for the management of the Government paper-currency.

Stamps.

A Superintendent of Stamps is stationed at each of the presidency towns, where the reserve of stamps is maintained for the supply of the district depots. In some provinces there is also a local Superintendent of Stamps, whose duty it is to maintain the observance of the Stamp Act throughout the province. This officer also usually combines with that post the general superintendence of the excise in the different districts.

Police.

The Police department has already been referred to. The organisation of this service is entirely by separate district establishments, but the Inspector-General of the province has a general superintendence over the whole body. In some provinces there is also a staff of deputy-inspectors-general, one of whom is attached to the head-quarters of each commissioner of division.

Post-office.

The Post Office is a department which, as has already been stated, is not organised provincially, but is controlled directly by the Government of India. The head of the department is a Director-General; and India, for postal purposes, is mapped out into five divisions, each under a

* The conservancy of Indian forests on a systematic plan is one of the many important public measures which the country owes to Colonel Richard Strachey.

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Postmaster-General, who, although styled Postmaster-General of Bengal, Madras, Punjab, &c., exercise departmental control over countries by no means conterminous with the limits of those provinces; under them are inspecting postmasters of circles. The head of this department has usually been chosen from the civil service, as have been some of the postmaster-generals. Some of the higher appointments have also been filled by medical officers, an arrangement arising out of the circumstance that in former years the district medical officer used always to be also the station postmaster. The rest of the employés belong to the uncovenanted service; the inspectors are usually Europeans.

Telegraph.

The Telegraph Department is also retained under the direct management of the Supreme Government. At the head is a Director-General, usually an officer of engineers; and the country for telegraphic purposes is divided into circles, each under a superintendent; these circles are further subdivided into districts, the officer in charge of each of which is responsible for the working of the different stations within it. Under the head of the station, or telegraph-master, as he is styled, is a staff of signallers. The Telegraph Department now forms a separate service, which is entered by competitive examination, passed in London.

Education.

The superintendence of education has for the last few years formed a considerable part of the business of the state, and the yearly public expenditure on this account, which is constantly increasing, has already reached to three-quarters of a million sterling. This outlay is mainly bestowed on the maintenance of government schools and colleges, and the three universities, the cost of which is met in greater part from this source; but a small portion of the grant is distributed as grants-in-aid to private schools, of which those attached to the various mission establishments are the most numerous and important. The Indian schools may be divided into five classes:—I.

Village Schools, where an elementary education is given in the vernacular language of the district. These are managed by Government, but supported by a local cess. —II. District Schools, established at the head-quarters of each district, where, besides vernacular teaching, the higher classes are taught English.—III. The Colleges, as they are termed, established at some of the principal cities in India, as Benares, Agra, Delhi, Lahore, and Poona; where education, embracing a somewhat extensive course, is conducted in the English language, by a staff of European professors and masters.—IV. The larger institutions of the same kind, known as the 'Presidency Colleges;' of these there are two, one at Calcutta, and the other at Madras. They are supplied with a staff of professors for giving a complete course of education in arts and law, and afford students the means of graduating in those faculties at the Universities.—V. The Technical Colleges, for Engineering and Medicine. There are four for Engineering —at Calcutta, Roorkee, Madras, and Poona; and three for Medicine and Surgery—at Calcutta, Madras, and Bombay, established especially in view to supply the subordinate branches of the government medical departments with native employés, and for training natives as engineers for the government public works. To these may be added, Normal Schools, for supplying native masters. There are now about 20,000 schools in India, either supported by the state, or under the supervision of the department. For the inspection of the government and aided district and village schools, every province is divided into circles, each under an inspector. A local committee of public instruction is also established in most districts, consisting of the principal officials and leading natives of the capital town. The Educational Department of each province is presided over by a Director of Public Instruction. On its first formation (which may be dated from 1854) the appointments were usually held by civilians, in pursuance of the established rule that all important posts in the civil

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administration should be filled from that class. But as vacancies occurred, they have been filled up by selection from the circle inspectors of schools and the professors of the larger colleges, who are for the most part graduates of the English universities.

Universities.

A small income is realised in the Education Department by the students' fees, which are fixed on a very low scale, in order to make the schools and colleges readily accessible. The universities, which were established by Acts of the supreme Legislative Council, are framed on the model of the University of London, and their functions are limited to the holding examinations and granting degrees. The government of each is vested in a vice-chancellor and senate, and degrees are granted in the four faculties of arts, law, medicine, and engineering. Candidates are admitted to matriculation who belong to any school or college affiliated to the university, on passing an entrance examination; two years afterwards, another examination termed the 'first examination in arts,' must be passed [at the University of Calcutta]; and a final examination for a degree in one of the faculties is undergone at the end of the fourth year. The English language is the vehicle of study, and forms also a subject of special examination. The undergraduate, to obtain the degree of B.A., must, in addition, undergo successfully an examination in some classical language (Sanscrit being included in that category), in mathematics, history, mental and moral science, and physical science. To obtain a higher degree than that of bachelor, the candidate must graduate in honours in one of the schools. That the establishment of these universities is appreciated by the natives of India may be inferred from the numbers who flock to them. The number of candidates for admission increases rapidly year by year. In 1868, the twelfth year from its foundation, nearly nine hundred students matriculated at the University of Calcutta; in three years' time there will probably be not less than four thousand undergraduates

on its rolls. Admission to the two sister institutions, although they are not on so large a scale, is eagerly sought by the native youths.

It will be readily understood from this account, that these Indian universities exercise none of the social and moral influences which are usually ascribed to these institutions elsewhere. They are simply, as has been said, examining bodies, and the only influence they can exercise is an intellectual one, by raising and regulating the standard of education. In this respect it may be said that they have so far done as much as was desirable, and that the possession of the lowest degree bestowed by them indicates, to say the least, the possession of as much capacity and knowledge as would be needed by the graduate of an European university.

But the system which makes the English language the vehicle for learning, certainly acts as a bar on the study of the vernacular languages of India. A movement has lately been made, in which the leading native gentry of those parts are taking an active part, for the establishment of colleges at Lahore and Allahabad with the special object of cultivating the study of Oriental languages, and the defect of the present system through their agency may be so far removed, that it will become practicable to obtain a higher education without an obligatory acquaintance with the English language. But our method of public instruction still, in the opinion of many, remains open to the objection that undue prominence is given to the study of English throughout the country, and an undue share of the public money bestowed on the schools where English is the principal subject of study, the scholars of which schools must necessarily be only a small fraction of the whole number under teaching. The supervising staff is certainly mainly occupied with this part of their business, many of the higher officers of the education department being almost wholly ignorant of the language of the people whose education they are superintending.

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The subject is however beset with difficulties. The classical languages of the East—Sanscrit, Arabic and Persian—are of little practical use except so far as they are the parents of most of the present dialects of India, while the latter are for the most part altogether insufficient as vehicles for communicating a knowledge of science—the kind of knowledge of which the Indians stand most in need—and the structure and literature of these modern vernacular languages are alike undeserving of study for their own sake. But it would be beyond the scope of this work to pursue further the subject of Indian education, a subject the importance and interest of which demand much more particular and detailed treatment than can here be given to it.

CHAPTER IX.

THE COVENANTED CIVIL SERVICE, AND MODE OF ADMISSION TO IT.

CHAP. IX.

Importance of functions performed by Civil Service;

THE foregoing brief account of some of the leading features of the civil government of India, will have served to bring prominently into view the very important part occupied in that country by the covenanted Civil Service. With a few exceptions, all the superior posts in the administration are filled from that body: most of the Governors, the Councillors, the Judges of the High Court, the Civil Secretaries, the Members of the Revenue Boards, and heads of the Fiscal and Accounts Departments, are civilians; it supplies, in fact, the governing class. But by far the larger part of that body is employed in the district administration. In the four regulation provinces, the whole of the district appointments, and in all other parts of the country a large proportion of them, are filled by covenanted* civilians. It is by means of the little knots of officials, scattered over the country at distances of forty, fifty, and in some cases a hundred miles apart, that the main business of the Government is carried on. So far as the mass of the people is concerned, this little isolated society, the collector-magistrate and his two assistants, with the district judge, represent the Government; in them are

especially by the district officials.

* So termed because each member of the service, before leaving England, enters into a covenant with the East India Company [now with the Secretary of State for India], wherein his privileges are recited, and he binds himself not to trade, or receive presents, &c. The practice of binding the Company's servants by covenants not to accept irregular perquisites was introduced by Lord Clive in 1765, who set the example by executing such a covenant himself.

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embodied all the functions of government with which the people of each district have any practical experience, or with which in most cases they become at all acquainted. Unless the district administration be good, no amount of efficiency in the governors, and the upper grades of the public service, will avail to make the British Government in India a properly-fulfilled trust, and a blessing to the people; while, on the other hand, if the staff of district officers are thoroughly efficient, there will always be an abundant supply, from that source, of men qualified for the superior posts. The other departments of the state are, comparatively, of quite secondary importance. Intelligent finance and a methodical system of account are no doubt needful conditions of a refined system of government, but the people of a country may be very happy without them. The want of education is a negative evil, and stupidity or waste in the conduct of public works involves, at most, a needlessly slow rate of progress. The all-important requirement in the government of India is that the people of the country, and especially the rural classes, (who in that agricultural country form the great majority of the population,) besides being lightly taxed, should have security of life and property, and liberty to pursue their occupations unmolested. These conditions imply that the law should be readily available, and impartially and intelligently applied; that the peace of the country should be maintained; above all—and this is one of the most difficult things to ensure in such a country—that the guardians of the public should themselves be restrained from oppression. This is the duty which is set before the district officials in India. That the task of governing under the given conditions should be at all possible—that a single magistrate, with one or two deputies, should be able to maintain a decent administration, and to impress the reality of government over a territory as large, in some cases, as a European kingdom, and generally more densely peopled than are European coun-

tries, is only possible at all through the extraordinary docility of the people. But this very readiness to be governed, creates, in itself, one of the greatest difficulties in the way of good government. Deference to authority tends to degenerate into servility, among all who surround the holders of power. A man in authority can never escape the sound of flattery, which from time immemorial has been the food of Eastern potentates. This want of independence which characterises the people of India, and the absence of any expression of public opinion, or indeed of the formation of any general sentiment which can properly be so styled, besides adding to the difficulty of government, equally render it difficult to form a reliable opinion as to the merits of that government. Such an estimate is especially hard, if not impossible, for an European to form, whether he be connected with the official class or not; for one of the worst tendencies of a vigorous and at the same time absolute government—that namely towards oppression by the subordinate agents of the government—is not exerted towards him. Europeans of all classes are secure from the vexatious interference of the police or revenue officials in their private concerns. An opinion, therefore, from even an unprejudiced European observer, is inconclusive on this point; what is really desired is the criticism of the natives themselves on their governors, and this there is no means of getting. The educated natives of Lower Bengal have indeed learnt to express themselves freely on political subjects, but they form a small and special class, in no way identified in ideas or interests with their fellow-subjects in other parts of India; nor do they possess the experience or the proper critical faculty which would enable them to form a just comparison between the existing state of the country and that which it supplanted.

Difficulty of governing well in India; and of estimating relative value of English and native administration.

Tried by this standard, indeed, the verdict must be most favourable. It is certainly the fashion in some quarters to praise the times gone by, and to cite some

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Comparative merits of native and British rule.

indefinite period when the blessings of peace and contentment were enjoyed, unalloyed by the burden of taxation, and the restraints on the speedy course of justice which a more refined and artificial system of government brings with it. A very slight acquaintance with the facts ought however to satisfy the enquirer, that the course of English administration has steadily improved since it was first established on a definite system by Lord Cornwallis, and that it was even then vastly better than the best native government which it superseded. It would probably be difficult to find anyone really competent to give an opinion, prepared to deny that the state of anarchy and universal strife throughout the land, which was replaced by the peace everywhere established under British rule, must have been attended with a degree of suffering which far outweighs the defects inseparable from a rule by foreigners. This much will probably be admitted by all who have taken the trouble to inform themselves of the available facts; but there remains to be noticed the view of that party which holds the more moderate opinion, that English rule, however beneficial, is nevertheless not popular; and that, assuming a state of peace to be maintained in either case, by the influence of a paramount power or in any other way, the simple patriarchal rule of the native states is both more agreeable, and better suited to the wants of the people, than the technical and complicated system enforced in the British provinces.

Their comparative popularity.

Considerations bearing on the question.

To enter fully on the consideration of this interesting and important question would necessarily be beyond the scope of this work, which is limited to an enquiry into the best form of an administration of the country by the English, and does not therefore extend to the larger question, whether or not an English government is the best kind of government for the country? The subject is only referred to here, for the purpose of noticing very briefly some of the considerations which should be kept under view, in order to arrive at a reliable conclusion.

CHAP. IX.

1. Present condition of native states not a criterion.

In the first place, then, any inference drawn from the condition of native states as we now find them, as to what would be the result of native rule, pure and simple, is entirely delusive. There is in truth no such thing as purely native rule in India. Not to mention that every native state is more or less controlled by British authority, exercised through a Resident or other agent of the British Government, every native ruler is, so to speak, constantly on his best behaviour; assured that any marked instance of misgovernment will at once draw on him the interference of the paramount power; and having, until quite lately, the constant apprehension before him of deposition, and the annexation of his dominions, should he allow the opportunity to occur. It is, in fact, quite impossible to abstract from the results exhibited of government in native states, the effects due to their rulers alone. The influence of British authority is constantly exerted, directly as well as indirectly, over every part of the country. Besides being subject to this influence, a native state is furthermore very favourably placed in present times for the development of good government, by being forced into a state of natural competition with the adjacent British provinces, while British methods of administration are largely, but often unconsciously, imitated.

2. Meaning to be given to the term 'popular.'

In the next place, when it is said that our rule is unpopular with the people of the country, it is necessary to understand precisely whom we mean to refer to. There are, speaking broadly, two principal classes in India, the nobles, and the great agricultural population spread over the surface of the land, whose opinions are of most importance. There are no doubt all shades of intermediate degrees of rank; but the middle class forms a very small part of the whole community, and the mercantile and trading classes at any rate benefit by our rule. Now, that English rule is unpopular with the upper class of Indians is highly probable. It would be extraordinary indeed if

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it were not, for we have not only displaced them from all share in the administration, but the general tendency of our rule has been to reduce all ranks, except the foreign rulers, to one dead level of equality. With regard to the agricultural classes, however, it may at least be doubted whether a comparison of the kind referred to is really ever made. To suppose that the Indian peasant is capable of deliberately estimating the comparative merits of British and native rule, is to invest him with critical faculties which it is quite unreasonable to assume that he possesses. None but a very small part of this class has had experience of any other than his present way of life; while, as has been already observed, to the bulk of the people the Government is represented by the petty native official in their immediate neighbourhood. Many of them pass their lives without ever seeing a white face. The Dorsetshire labourer, who is brought up with no prospect but of a life passed in toil for a bare subsistence, and an old age eked out by parish aid, does not usually display any distinct appreciation of the merits of the peasant proprietary system obtaining in other countries; and the Indian labourer is equally disposed to take things for granted. No body of people has ever shown greater indifference to the form of its government than the village communities of India. Provided they are left in peaceable possession of their land, and the assessment on it continues moderate, Hindoo, Mahomedan, and English ruler is accepted in turn without the smallest exhibition of dissatisfaction.

3. Popularity not a test of good government.

Lastly, it seems altogether a mistake to assume that popularity is in this matter a test of success. The peace and order now maintained throughout India may very possibly be causes for our unpopularity with the more active spirits of the nobility, who are cut off from the career of turbulence, aggrandisement, and oppression of their weaker neighbours, which was formerly the normal pursuit of Indian rulers; but peace and order are not

the less public benefits. As regards the poorer classes, one possible cause for unpopularity, the recent great rise in prices, is due to the large development of trade, and is obviously beyond the control of the British authorities, except so far as that peace and security have conduced to that result. The agricultural classes, it should be observed, if they be losers, are also large gainers, since the price of all products of the soil has partaken of the general rise. But a form of government is not necessarily most popular with those who most enjoy the advantages conferred by it. If there be one class more than another in England which has reason to be dissatisfied with the institutions it lives under, it is the agricultural labourers. Yet among no class is conservatism more strongly developed. To hear those institutions most loudly called in question, we must go among the manufacturing working-classes, than whom no portion of the community has more largely benefited by the results of modern legislation.

Great administrative qualities displayed by Civil Service.

To return to the more immediate subject of this chapter. It will be at any rate within the scope of this treatise to hazard an opinion on the merits of the British administration in India, not considered relatively, with reference to an imaginary standard of independent native rule, but regarding it simply as what it is, a government of India by the English. In other places will be found stated in what points I venture to think the existing system most requires modification. That this administration is, from the nature of the case, one of the most difficult in the world to carry out with success, will probably be allowed by everyone; while the position of a handful of foreigners, conducting a complex and refined system of government throughout so vast and densely-peopled a country, is a unique spectacle, which nothing else in the world resembles. But as to the personal character of that administration, at any rate a decided opinion may be formed, although its validity does not

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admit of demonstrative proof. That the verdict should be favourable; that on the whole the members of the civil administration of India, so far as their individual exertions are concerned, have been extraordinarily successful; that they have been distinguished not only for perfect integrity, but, with rare exceptions, for a high degree of zeal, industry, and public spirit; that a large proportion of them have displayed conspicuous ability; and that many great men have sprung from their ranks —this much, I believe, will be admitted by all who have any practical acquaintance with the matter. The Indian Civil Service is the most able, as it is the most important official service in the world.

Cause of its high efficiency.

To what causes, it will be interesting to inquire, are due the eminent qualities for which that service is so honourably distinguished? Certainly not its origin and mode of appointment. The former is connected with one of the least creditable chapters of modern English history; the latter has been till lately a matter of accident. It need hardly be said that the Indian Civil Service took its rise from the establishment of merchants and agents employed in buying and selling the Company's wares. For many years after that occupation had ceased to be more than a subordinate part of the Company's business, they continued to be ranked in the grades, and styled by the titles, of senior and junior merchants, factors, and writers. In the first instance, as is well known, the nominal salaries paid to civil servants were very small, and their emoluments were almost wholly derived from the profits of private trade; and however little objectionable may have been the system which required them to look to this irregular source of profit, so long as their duties were confined to mercantile business, that mode of payment was the natural cause of the malpractices which arose in every branch of the service, on the British becoming involved in the politics of India, and when the merchants and factors of the

Not the mode of nomination

Company found themselves suddenly transformed into lords of the country. The scandalous corruption and political immorality which ensued—partially extenuated, perhaps, by the magnitude of the temptation presented—are too well known to require further notice here. Suffice it to remark that the remedy was applied by Lord Cornwallis, who, not without opposition from the Court of Directors, established the emoluments of the service on a scale calculated to place its members beyond the influence of temptation. From this time corruption ceased; and though probably the old vicious ideas, inherited from past traditions, were not at once cast off altogether, nor the high standard of probity instantaneously acquired, which has since characterised the service, it seems certain the change was very rapid; and during the rule of Lord Wellesley, who succeeded Lord Cornwallis after an interval of five years, the service appears to have already attained to an unexceptionably high character for honesty. In ability and professional experience it was still exceedingly deficient. The change from merchants to rulers was but grudgingly recognised by the Directors, who made no provision to meet the increased responsibilities placed on their servants by establishing a proper standard of qualification. It could hardly be otherwise than that merchants and merchants' clerks, called from the counting-house and ledger to administer justice in a foreign land, and govern people of whose language, laws, and religion they were ignorant, must often have been extraordinarily incompetent. The remarkable development of talent and statesmanship evinced by several men of that day, must not be allowed to hide the fact that these instances were exceptional. The extraordinary progress of the British power at that time offered unusual opportunities for the exhibition of talent; the Governor-General was continually in quest of proconsuls to rule over his conquests, succeeding each other in rapid succession; and skill in selection of proper agents to

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carry out his aims was not the least of that statesman's qualifications for command. But it may be gathered from Lord Wellesley's own writings, that the bulk of the Civil Service was at this time quite incompetent. On one occasion he states that, 'In the several stations of revenue and judicature throughout the provinces, many public officers are to be found avowedly incompetent to the due discharge of their duties: some from ignorance, natural incapacity, or fixed habits of indolence and dissipation—others from age and infirmity.'* In another letter he remarks, with reference to the qualifications of the young writers: 'The age at which writers usually arrive in India is from sixteen to eighteen; their parents and friends in England, from a variety of considerations, are naturally desirous, not only to accelerate the appointment at home, but to despatch the young man to India at the earliest period. Some of these young men have been educated with an express view to the Civil Service in India, on principles utterly erroneous, and inapplicable to its actual condition: conformably to this error, they have received a limited education, confined principally to commercial knowledge, and in no degree extended to those liberal studies which constitute the basis of education at public schools in England. Even this limited course of study is interrupted at the early period of fifteen or seventeen years.'† While, as to the erroneous view of the duties of their servants in India, still cherished by the Court in their adherence to the grades of merchant and factor, already referred to, Lord Wellesley thought it necessary to observe that 'commercial or mercantile knowledge is not only unnecessary throughout every branch of the Judicial Department; but those civil servants who are invested with the power of magistracy, or

* Letter from Earl of Mornington to Right Hon. H. Dundas, dated March 5, 1800.—*Wellesley Despatches.*

† Minute of the Earl of Mornington, dated July 10, 1800.—*Wellesley Despatches.*

attached to the Judicial Department in any ministerial capacity, although bearing the denomination of merchants, factors, or writers, are bound by law, and by the solemn obligation of an oath, to abstain from every commercial and mercantile pursuit; the mercantile title which they bear not only affords no description of their duty, but is entirely at variance with it.'

To remove these glaring defects, and to educate the young civil servants for their duties, Lord Wellesley established the College of Fort William, at which the civilians of all the three presidencies, on arrival in the country, were required to undergo a course of study in law and the classical and oriental languages. This measure was violently opposed by the Court of Directors, and Lord Wellesley only succeeded in preserving the college in a very contracted form, by bringing the influence of the English Ministry to bear on the India House. The final result was, that the young civilians of the Bengal service only were required to reside in Calcutta, and pass an examination in the language of the province for which they were destined, and in one other oriental language, before they were pronounced qualified for the public service; similar rules and language tests were established for the Madras and Bombay services. At a much later period the two subsequent tests were instituted, involving a more particular acquaintance with the written and spoken vernacular language and with the business of the courts, which have been already referred to, and which, with the preliminary examinations in the languages, are still in force.

Or of preparatory education.

Provision was thus made by Lord Wellesley's measures that all civil servants should obtain a certain amount of knowledge of the native languages. No provision was made for giving them any previous education until 1806, when Haileybury College was established, in substitution for Lord Wellesley's plan of a college in India. It must, however, be admitted, that this institution having been

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forced upon them, the Court so far endeavoured to render it efficient, that a highly competent staff of professors was appointed in every branch of study necessary for the education of an Indian statesman or administrator. But this advantage was in a measure nullified by fixing so low a standard of qualification that study was virtually left optional with the students. The patronage of the first appointments to the Civil Service formed a highly valuable part of a seat in the Direction, affording an excellent provision for a director's family and relatives; and it was by no means in consonance with the views under which that seat was sought, that this advantage should be nullified by a scholastic test so severe as to exclude the Directors' nominees from the service. The result was, that while the Haileybury course offered excellent means of instruction to those who chose to take advantage of it, it had no sufficient effect in eliminating incompetence; and, with very rare exceptions, every young man who obtained a nomination to Haileybury was practically assured of obtaining an appointment to the Civil Service. To which may be added, that the term of probation (two years) was too short for a thorough course of study; that the number of students—the college was divided into four classes or terms, of about twenty each—was too limited to afford any reasonable amount of emulation; while the standard of the so-called 'honour class' was fixed so low that not to obtain honours was quite exceptional.*

Haileybury, therefore, practically failed in the full realisation of the object for which it was instituted; it never attained to any general repute among the schools

* The Haileybury honour lists were formed into two classes—of those outgoing students who were deemed to be 'highly distinguished,' and those who 'passed with great credit.' About three-fourths of the whole usually attained to the honours of the first class; the remainder, with the occasional exception of one or two, who did not obtain any honours at all, were placed in the second class. The prizes bestowed were almost as numerous as the students.

and colleges of England, and no men admitted the shortcomings of the place more freely than those who had passed through it. Yet, notwithstanding these facts, there have been found writers to assert that the general excellence of the Indian Civil Service; the high standard of public character and intelligence maintained by most, and the remarkable ability displayed by many of its members—were the result of the system of nomination, under which the patronage of all first appointments was vested without check in the individual Directors. But since it has never been pretended that these persons exercised any selection in their nominations on grounds of ability, while it is certain that the subsequent tests did not provide in any appreciable degree for eliminating incompetence, it must be apparent that such an idea rests on no foundation whatever. The real cause of the excellence of the Civil Service is to be found in the admirable school which is afforded by its special duties. The Indian civilian, immediately upon his arrival in the country, is placed in a situation calculated to call forth, in an extraordinary degree, all his best qualities. His duties as a magistrate, judge, and administrator, begin almost from the day of his admission to the service, and are prosecuted throughout his career on a scale, and to an extent, far exceeding what is attained by any other service in the world. The ever present need for the practice of industry, zeal, and self-control; for affording in himself an example to others of public virtue; the constantly felt want for, and immediate value of, professional knowledge; the enormous effect of personal influence; the vastness of the scale on which he is working; the very impossibility of doing all that has to be done—all these conditions are calculated in an eminent degree to educate the Indian civilian to a high standard of energy and intelligence; while the heavy responsibilities placed on him, and the extensive power which he wields, form in themselves a training of incomparable value, by

But the practical education of Indian official life.

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inducing a confidence, quickness of resource, and readiness to undertake responsibility, which are most necessary qualities for a successful administrator. And, if further inducement were needed, it was to be found in the large number of high appointments—as commissioners, judges of appeal, diplomatic agents, councillors, and governors—to which the distinguished civilians were certain of succeeding. The Indian Civil Service contains an extraordinary number of prizes, and no blanks. To these circumstances then, and not to the mode of appointment, is the high character of the Civil Service to be attributed. That service, in fact, consisted of a body of English gentlemen, chosen, so to speak, at random—for relationship to a director was an accidental attribute—who, without being subjected to any special test or training, were entrusted, for the whole period of their service, with most important and interesting duties. And it may safely be asserted that any body of English gentlemen, chosen and employed in the same sort of way, would have exhibited the same merits.

Defects of the nomination system;

The defects of the nomination system need hardly be stated. Among every body of men chosen by chance—be the chance one of throwing dice, or of relationship to another set of men themselves in no way specially gifted—there must always be found some, in whom the power of indolence or deficiency of intelligence will be too strong to overcome. Had such men been always retained in subordinate posts, the evil would have been reduced to a minimum; but, although promotion by seniority had long been abandoned, the traditions of the service still required that every man should be raised at least to the charge of a district, and eventually to a judgeship. How mischievous might be a man in such a post will be understood, when it is considered that a district officer was practically in many cases removed from all personal supervision; that public opinion has no expression in these parts; and that all that could be known of his

proceedings was to be found in his own reports, made to official superiors belonging to the same body with himself. In the case of a judge, indeed, the evil was experienced in greatest intensity only by the suitors at his court; but it would be difficult to measure the extent of the mischief which might be wrought, by placing an idle or incompetent magistrate in charge of an Indian district with its million or more of people.

led to establishment of open competition for civil appointments.

If the Court of Directors had provided a sufficient remedy for these two weak points in the system—if they had required that every nominee should reach a reasonable minimum standard of qualification for admission to the service, and that no men should be advanced to posts of responsibility who had subsequently displayed marked incompetence—they might probably have retained the patronage of the service till the date of their extinction as a governing body. But such conditions would have pressed hardly in some instances on family interests; and when the inquiry of 1853 took place, public opinion pronounced that in these two points they had failed to administer their trust properly, and this valuable patronage was taken away. On the renewal of the Charter in that year, it was provided that appointments to the Civil Service should be thrown open to unrestricted open competition, an arrangement which has been maintained ever since.

Unexpected result of introducing open competition.

As to the success of this measure, it has beyond doubt fallen far short of the expectations formed of it by the first supporters of the principle of competition, so far that it has entirely failed to attract to the Indian service all the rising talent of the country. The most successful men of the universities have kept entirely aloof from the contest, while even the number of competitors has so far been exceedingly moderate. If from those offering themselves at the annual trial, be subtracted the considerable number who, judging from the marks gained by them, undertake the examination without any reasonable prospect of

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success, and who therefore are only nominal competitors, the remaining candidates have usually not largely exceeded the number of appointments annually offered. On only two occasions have they exceeded that number in the ratio of more than two to one, and then the number of appointments offered was exceptionally small. These facts show that the competition for the Indian Civil Service is really by no means severe, especially compared with the eager competition for admission to the Woolwich cadetships, and with the crowd of applicants who present themselves for any vacant situation in the public service at home.* The result however is so far satisfactory, as dispelling the illusion formerly obtaining regarding the advantages of Indian service. Men who have distinguished themselves at the universities have shown clearly enough that, in their estimation at any rate, the chances of an English professional career are to be preferred to the certainty of competence, and prospects of more than competence, afforded by Indian official life, with the certainty also of the drawbacks attending an exile in India; and they, it may be presumed, reflect the general opinion of the English middle-classes. So that the fact seems to be established, that no great injustice has been inflicted on that body in having kept them so long from sharing in this good thing, as the advocates of competition were wont to urge. The good thing has been offered to the English public, which has shown itself generally indifferent about accepting it.

Degree of success which has attended the measure.

Even with this unexpected result, the change must be pronounced a complete success in one important particular. Open competition may not have secured a body of men, all of striking ability; but it may be fairly assumed that, on the average, quite as many men of exceptionally great power will enter the service under this plan, as

* The number of candidates is however steadily increasing, and the foregoing remarks are not likely to be applicable much longer.

entered in the times of nomination; while at any rate it secures that no thoroughly stupid or quite uneducated persons shall be elected; and this, when the important functions are considered which every civilian is called upon to fill, is a substantial gain. While, as to the fears so often expressed by the opponents of the competitive system, that it would give India a race of pedantic book-worms—men of intellect, but not of action, unfit physically for the duties of Indian administrators; not to urge that the hypothesis, that the possession of mental ability is usually conjoined with less than average physical power, is quite unsupported by fact—it may be safely said, as has indeed been already implied, that all such fears have proved groundless. The exhibition of a morbid excess of intellectual power can certainly not be charged against the bulk of the successful candidates. On the other hand, the needful minimum of talent has now been secured in every case—and this after all is the most essential thing—while in every other respect there is no sort of reason to suppose that the new men are as a class in any way inferior to the class they are gradually replacing. On this point it has to be observed, that the reports which have been furnished from time to time on the qualifications of the former must be received with some degree of reservation, as having been written by senior members of the old service, who may not unnaturally have been prejudiced against a class the very existence of which implied a reflection on their own efficiency. As to social characteristics, about which so much has been said, it is true that unlimited open competition affords no test of moral or social qualification, and some men of questionable fitness may have been admitted by this means; but considering that the highest places and prizes at the English universities, and by consequence those in the English bar and church, have always in effect been open to unrestricted competition, the idea that the general status of the Civil Service is in danger of being lowered by the

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same mode of recruitment need surely not be seriously considered. The bench of bishops and the bench of judges are at least as refined a set of men as the Indian civilians of the old school. The story therefore that the natives of the country, with their keen appreciation of manner, are sensible of a difference between the bearing of the men of the old and the new school, may be regarded as equally apocryphal with the assertion that the same natives experienced a peculiar attachment and respect for the possessors of certain familiar Indian names—names which, it may be added, are many of them first noticed in Indian annals in connection with some of the least creditable passages in British Indian history. As to the supposed physical inferiority of the new men—the complaint, sometimes boldly alleged, that they are not sportsmen and men of action like those of the old school, nor ready like them to ride down a robber as well as to try him afterwards—that is merely another illustration of the facility with which men mistake the accident for the essence of a thing. Clearly it was their training in India, and not their previous antecedents, which made the civilians of the old school what they were—men both of the saddle and the cutcherry, good in the field as well as in the cabinet; and this the new men have equally the advantage of. Relationship to an East India Director did not necessarily carry with it an aptitude for horsemanship, nor was the little college of Haileybury ever specially distinguished for excellence in the cultivation of manly exercises; while the new civilians include a considerable proportion of graduates from the universities, a class which certainly attains physically to the average standard of Englishmen, but which was practically excluded from Haileybury by restrictions of age.

So far, therefore, it may be said that the new system has been fairly successful. The competition is severe enough to exclude a stupid person, while the incomparable subsequent training and education afforded by the

Indian civilian's occupations remain as before. The test indeed is not afforded, if such were possible, for ensuring that every man selected shall turn out reasonably industrious—and an idle man in a civilian's post can work almost as much harm as a dull one; but the new class have at least as much incentive to exertion as the old, since they for the most part enter the service strangers to the dispensers of promotion in it, and depending solely for advancement on their own merits and exertions. That young civilians should have arrived in the country with an hereditary interest in the government may possibly have had its advantages, but the disadvantages are also obvious. When a great official body is mainly composed of a few families, and their connections by blood or marriage, and the tie of relationship extends from the governor (who is generally a member of the service) downwards through all grades, the tendency to form official cliques and to favouritism is inevitable, however honest may be the desire to repress it. This evil has been effectually stopped by the competitive system.

Its effect on course of English education.

But besides the comparative failure of the new system to attract the highest talent of the English middle classes, there are two points connected with it which deserve a word of notice. It was generally supposed that the offer of these great official prizes to open competition would have had a marked effect on the course of English education, and that the public schools and universities especially would, to a certain extent, have adapted their studies to embrace the new field thrown open. It need hardly be said that this expectation has proved entirely delusive. Those bodies in effect have elected to disregard the invitation held out to them, and the practical result has been to place the preparation of candidates for these examinations in the hands of a few persons, who have specially laid themselves out for the purpose. The pupils of the 'crammers,' as they are termed, form the large majority

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of the successful candidates; and if we bear in mind the small proportion which the total number of their pupils bears to the total number of young men under education elsewhere, the truth of this assertion will be apparent. Practically, none but a man of marked ability has a reasonable chance of successfully competing at these examinations, if he goes direct from a public school or university; the 'cramming' masters, on the other hand, profess to prepare with success all but the really dull.

Partial nature of the test.

This result, however, if unsatisfactory, is yet generally known by those interested in the matter. The other fact, which has now to be noticed, will probably occasion some surprise. It is generally understood that the subjects of this competitive examination are so arranged, that each shall receive its proper value; that it is left open to the student to select his course of preparation; and that the knowledge he brings up in any subject will be appraised with reference to the difficulty and time occupied in attaining it. Mr. Lowe, who might be expected to be as well informed as most persons on this subject, speaking not long ago about it, said: 'With the assistance of Lord Macaulay and other eminent men, we prepared a scale which has since, with very little change, been the scale on which these offices [appointments to the Indian Civil Service] have been distributed. Thus, we took everything we could think of that a well-educated man might learn; all the languages, Latin, Greek, French, and English—all the modern languages of Europe; we took the principal branches of physical science; we took history; we took the philosophy of mind, as taught in Scotland, Oxford, and other places; we took everything, and gave marks to each according to their relative importance, as near as we could arrive at it; and under that system all persons have been admitted equally and fairly to the benefit of those offices, whatever their line of study might have been. Instead of loading the dice in favour of the dead languages, we gave them all a fair start; and the thing, as

far as I know, has worked smoothly and with perfect success.' *

This account probably describes very completely the general impression abroad of the actual state of things, as it certainly does the system contemplated. But a reference to the annual reports of the examinations held, and to the questions set, will show that, not only have the dice not been loaded in favour of the usual subjects of study; some of these have been so heavily weighted as to disqualify the carrier from the race. If there be one subject more than another in which a little knowledge is useful, for its own sake, and not as a stepping-stone to further study, that subject is mathematics. An acquaintance with the elements of geometry is highly valuable in itself, and the study of it may be made complete, so far as it goes, without reference to the other branches of the science. The same thing is true of the ordinary operations of arithmetic, or of the simpler parts of mixed mathematics. This fact is fully recognised at Cambridge, where competitors for honours undergo a searching examination in the elementary as well as in the higher branches of mathematics.† But, under the system adopted by the Civil Service Commissioners, the simpler parts of the science have been almost wholly ignored; the student finds that, in order to obtain any marks in this subject, he must have carried on his studies into the highest branches of it taught at the universities, and that the knowledge intermediately gained will count for little or nothing. To gain high marks in mathematics involves, therefore, an amount of study which will produce a very much better result—according to the test of marks—if bestowed on other subjects. The result is that mathematics are practically driven out of the course, and are scarcely ever

Unequal weight assigned to different subjects of examination.

* Speech delivered at Edinburgh by the Right Honourable R. Lowe, on the 1st Nov. 1867 (*Times* Report).

† Three out of eight days' examination are given to the simpler treatments of the science, which do not involve the use of the infinitesimal calculus.

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taken up to the examination by successful candidates. On the other hand, it seems to be assumed that a much smaller degree of knowledge should be expected from the candidates in physical sciences and the oriental languages, in the latter especially, the papers in which contain questions on the formation of cases and inflections of verbs, which, applied to Latin and Greek, would be answered by any junior boy of a public school. The result is that a candidate who, when commencing his course of preparation, does not start with any special proficiency in some particular subject, finds that the time available may be best bestowed for the object in view by neglecting mathematics altogether (and the classics, too, if he has no previous knowledge of them), and devoting himself either to physical science or oriental or modern languages, and especially to English, studied in view to answering questions of the kind put by the examiners. The 'cramming' masters have apprehended this fact, and a special kind of teaching has now become established for this examination, quite different from that pursued at the public schools and universities. As a proof of this it may be mentioned that, in some years, the number of candidates taking up Sanscrit exceeds the number of candidates in mathematics. It is clear that Sanscrit can only have been studied in view to this special purpose, the facilities for studying that language being certainly much less than the facilities available for studying mathematics.*

Modifications needed to perfect the competitive system.

The defect to which this peculiar state of things is due has no doubt only to be exposed in order to be remedied. The first thing requisite in this view is, plainly, such a revision of the mode of conducting the examination as shall place all the subjects of study really on a footing of equality. The notion, in fact, has to be got rid of, that

* It is proper to add that of late a larger proportion of elementary mathematics has been introduced into these examinations. The change has been followed by a marked increase in the number of candidates taking up mathematics.

because physical science and Oriental languages are less frequently made subjects of study in English education than mathematics and Latin and Greek, a comparatively smaller acquaintance with the former is as valuable as a greater knowledge of the latter. Even then the fact would remain, that the system of study contemplated by the test laid down for these competitive examinations is one not recognised substantially either by the public schools or universities; and the question deserves answering, whether it may not be desirable to reconsider a plan which has certainly failed of the intended object, of attracting a large part of the best talent of the country, and practically throws the education of the Indian Civil Service into the hands of a very limited body of instructors. Not that the merits of a system of teaching should be altogether condemned, as is usually done, by stamping it with the question-begging name of 'cramming.' That the 'cramming' masters are so successful is probably due as much to their mode of teaching as to their selection of subjects. What is termed cramming appears really to consist in two things: personal teaching aimed at the special capacity of each individual student, as opposed to the gregarious method of the public schools, where from thirty to fifty boys are taught in the same class; and concentration of the attention on one subject at a time, instead of diffusing it over a number of subjects. It would seem, indeed, that in the discussion which has so much occupied public attention of late regarding the supposed merits and defects of what is termed classical education, the equally important questions have been lost sight of, —what is the best mode of conducting education? and, even assuming the classics to be the best subject for teaching, are they taught in the best way? That the student's attention is never to be kept for more than a brief time on the same subject, but is to be constantly diverted from one thing to another, seems to be accepted unquestioned as a necessary condition of tuition through-

Peculiar form of teaching developed by these competitive examinations.

Causes which render it successful.

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out the schools of the country. An hour for Latin, an hour for Greek, half an hour for mathematics; a prose author one day, a poet the next; a few minutes for modern, a few minutes for ancient history; translation in the morning, composition in the afternoon;—this, with the freest use of the lexicon, and stringent rules against short cuts to knowledge, is the accepted practice of almost every school in the kingdom: the result being that a boy by the end of the term has read a little bit of the works of four authors, and a little bit out of each of a number of other different books; and then passes on to another form, to cull fresh pastures in the same intermittent fashion. Yet it is the very last plan which a student adopts who is left to himself, especially a student who has gained some experience in the art of acquiring knowledge. He has discovered that concentration of attention on one subject is the first requisite for progress, and that if he wishes to master any subject quickly, he should devote the whole of his available time to the study of that alone, to the exclusion of all others; while he will certainly endeavour to avoid as much as possible unnecessary and artificial difficulties. If the subject be a modern language, he will not keep aloof from the country where it is spoken, and the simplest road for becoming familiar with the language, in order that his mind may be braced by making the study as difficult as possible; while if it were a dead language, he would probably make the freest use of a translation — the *crib* forbidden to all schoolboys—and would certainly familiarise himself with the style and modes of thought of one author before passing on to the works of a second. It is this difference in the mode of working which probably explains the greater rate of progress which the grown up student, notwithstanding professional engagements, may often be observed to make, than the boy whose whole time is free for education. Something is due, of course, to the development of mental faculties which comes after manhood, but

the restricted amount of leisure at the disposal of most men is more than a set-off for this; the crammers at any rate have found out the plan, and in the results exhibited by them have given a practical answer to the question.

This, however, is a digression from the subject at issue. The fact is admitted, that the system of competitive examination has so far failed to meet the expectations formed of it by its advocates and framers, that it fails to attract the *élite* of the public schools and universities. Be this result due to the fact, that the prizes offered are not valued on the conditions attached to them; or that the training afforded by the public schools is inferior to that of the special schools of preparation; or that the test is peculiar and onesided; the result is incontestable. I have endeavoured to show that all these causes have a share in that result. An Indian career is not preferred to a successful university career; the public schools have not adapted themselves to train specially for the former; and the test has come to assume a special and onesided character, in which the standard subjects of English education —especially mathematics—have been unduly weighted. Now, every one will probably admit that this result is not in itself satisfactory, and that it is at least worth consideration whether the Indian Civil Service—the most important public service open to Englishmen—cannot be made attractive to the cream of English youth, and admission to it rendered at any rate as much an object of general ambition at all the great schools of the country, as an ordinary college scholarship.

Competition takes place now at too advanced an age.

One thing may be postulated on this head. If it be desired to obtain a fair proportion of marked talent for any branch of the public service, the candidates must be chosen young; the younger they are chosen, the more likelihood is there that some will be included who possess superior abilities. The old nomination system certainly possessed this merit. A lad in former days was marked off by his relatives from early boyhood as destined for India, and in

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this way many a man has been secured for that service, who, if he had had time to measure himself with other men, might have preferred to stay at home, and throw in his lot among the chances of English professional life. Such persons are almost certainly eliminated from the present competition, which takes place at an age when men have already had the means of estimating their chances of success in open professions. Further, the publicity of a competitive examination, conducted at a central point, involves a certain degree of discredit under failure, which probably deters many eligible men from coming forward, who would readily be candidates at local competitions. And lastly, considering that this examination is merely preliminary, and that the successful candidates are required to undergo subsequently a special course of study, before being finally pronounced qualified for the public service; it is at least questionable whether the examination should any longer be extended to embrace a class of subjects, which are practically not to be studied anywhere except at a few training-schools which have laid themselves specially out to teach them. At the time when the examination was first instituted, it was intended that the successful candidates should at once proceed to India. But a subsequent course now intervenes before they leave England, extending over two years (and which might easily be made still longer), which appears to obviate the necessity for including the Oriental languages among the subjects of primary examination.

Proposed modification of existing method.

Under these views it is suggested, as a practicable way of removing the objections which have been shown to attach themselves to the present arrangement, that instead of inviting candidates to attend a special central examination, the vacant appointments to the Indian Civil Service should be distributed among the principal public schools and colleges of the United Kingdom, to be competed for in each case on the spot, the test being simply as to the merits of the candidates offering themselves at each place in the

subjects of study pursued therein: the selected candidates to be then brought together, and placed under a further course of study, with special regard to the subjects needful to qualify them for the practice of their profession—particularly jurisprudence and Oriental languages. It may reasonably be presumed that a prize offered in this way, easily within reach, would be sufficiently attractive to bring forward the best students at each place where the appointments were offered; nor need the subsequent probation be made incompatible with the completion of a university career, the abandonment of which being now often a necessary condition for competing, operates to deter many from coming forward. If the age for competition were somewhat lowered, the period for subsequent study might well be lengthened from two to three years; while it would be in every way desirable to substitute a methodical system of instruction for the existing arrangement, by which the selected candidates are left to make their own arrangements for pursuing their studies. That system cannot be said to be in any sense satisfactory. The candidates, once chosen, are assured their final appointments on passing a test-examination at the end of two years, when they are reimbursed a part of their expenses, and are graded to the service in the order of merit at this examination, as determined by the number of marks gained. The incitement to take a high place at this final examination is not powerful, since the order of merit does not affect the candidate's destination to any particular part of India. This was necessarily settled beforehand, in order to enable him to select the appropriate vernacular languages for study; nor is a high place in the list of the smallest practical importance in a service of which the various appointments are made wholly by selection. The inducements presented to the selected candidates to make good use of their two years' probation are therefore but slight; while the influence exerted against the tendency some may exhibit to make a bad use of the time,

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especially during the reaction after the effort made at the original competition, by the knowledge that the only account to be rendered takes the form of a final pass-examination, will certainly with most dispositions operate much more feebly, than would the sustained influence of academical supervision and association. There are other obvious objections to the existing system, which would be met by establishing a college, at Oxford or Cambridge, where a combined special and university education might be imparted. At such a place a much higher standard of attainments might be reached than is possible under existing conditions; while its alumni would be incited to go forth to their Indian career with the *éclat* conferred by distinction gained at the university, as well as in the special competitions of their own college. Too much stress, however, need not be laid on this point. The object of such a training should be rather to encourage fulness and solidity of learning among the many than a striving after high places in the honour list among the few; but there may be added to the benefits of education in such a place, that its members would be united, from first appointment at an early age, by a bond of fellowship which, when it is not based merely on family ties, should be a highly valuable attribute in a body whose members are so dispersed in after-life as the Indian Civil Service. In fact such an establishment would possess all, and a great many more than, the advantages of Haileybury, without any of its drawbacks.*

* The one solitary advantage gained by leaving optional the place of residence during the probationary civilian's subsequent course of study, is that he is able to make himself familiar with the practice of the law-courts. The preparation of notes of cases which he has attended, at Westminster or elsewhere, is a part of the existing prescribed course of study. But it would be quite possible to make special provision for attendance at the courts of law during the university course; while as to the study of the general principles of law, and their special application to the laws of India, it would surely be practicable to provide a much more complete and philosophical training, by a systematic course of instruction at the university,—by means, for example, of an expansion of Downing College, Cambridge, according to

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Possible objections to proposal considered.

Of course a change of this kind is not to be carried through without the exhibition of some energy and strength of will. And it may probably be objected, that to select certain places of education to be presented with appointments to compete for, would be too invidious a task to be practically feasible. It would no doubt be a somewhat difficult and delicate duty; and it must be confessed that the proposal runs counter to the tendency, manifested at the present day, to relieve the executive authority of executive responsibility, and which would substitute open competition, drawing by lot, promotion by seniority—any plan that saves responsibility—for personal selection. But this feeling, to be found in cabinets no less than in trades-unions, is not the less pernicious because widespread; and it may be hoped that there is at least enough political courage extant to resist the cry that competition should be maintained, not because it is the best plan, but because no one can be trusted to exercise the power of nomination. As to the mode of selection, there ought not to be much practical difficulty in forming a conclusion. Two conditions might be required from every school claiming to share in the distribution of these appointments: first, that it has attained to a fair standard of excellence in the course of study it pursues, as shown by the success of its members at the universities or elsewhere; secondly, that the course of study pursued by it is a fairly liberal one. A Royal Commission has lately laid down what it considered to be the requisite conditions on this head, in terms which have commanded almost universal assent; and it would be reasonable at once to decide that every school which did not comply with those recommendations should be excluded from the list. In this way the preparation for the Indian service might exercise a practical effect on the

the scheme contemplated by its founder—than could be within the reach of the solitary student, left to wander at will through the mazes of a law library.

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course of education throughout the kingdom, which the advocates of the competitive system expected from their plan, but which, as has been already pointed out, it has wholly failed to produce; while in the Commissioners nominated in the Public Schools Act to carry out its provision, is to be found an agency in every way suitable for making the needful selection of schools to be invited to compete, and for distributing the available appointments among them according to the value of their claims. I will only add, in conclusion, that the plan here advocated is in close accordance with a scheme proposed, for the supply of the Indian Corps of Engineers, by the late Lord Canning—himself a scholar as well as statesman.

Appointment of natives to Civil Service,

Another objection, however, and at first sight a more forcible one, will probably be raised against this scheme —namely, that it would bar the natives of India from admission to the Civil Service. In reply to such an objection, it may be observed that it is open to a native of India to enter himself at an English public school, just as it is already open to him to come to England and present himself at the competitive examination. But, in truth, while under existing rules he is nominally eligible to enter the Civil Service, virtually he is ineligible, since the condition that the examination shall be held in England effectually debars natives from competing. In proof of this it is only necessary to observe that, while the Indian universities send out every year several candidates in honours, of attainments sufficient to place them easily in the list of successful candidates, scarcely a single native of India has as yet come forward to compete; and this although a place in the Civil Service involves, to a native, a degree of elevation in social position which perhaps can be properly appreciated only by persons familiar with the sort of relations maintained in that country between the governing class and the governed. To conceive a state of things in England under which every officer in the army and navy should be required to spend three or four

years in the ranks or before the mast, or under which every employé in a public office should undergo the test of a previous residence on the west coast of Africa, would quite inadequately represent the force of the restriction, which the conditions of the competitive examination have practically raised up against the admission of natives of India to it. Instead, therefore, of maintaining an apparent equality of advantage in this respect between the two races, which a closer view shows to be entirely delusive, it will surely be more just to recognise fairly the insuperable objections which the orthodox Hindoos entertain to crossing the sea; to proclaim distinctly that the test prescribed for the covenanted Civil Service is intended for Englishmen only; and to make distinct and separate provision for the admission of native gentlemen to a share in the administration of their own country. This important subject will, however, be better treated of in a separate Chapter.*

to be provided for separately.

* Four Indians competed at the examination of 1869, but that only four should be found to come forward out of the many hundred youths under education in our Indian Schools, shows how complete a bar the sea voyage practically is to their doing so. But in fact, were that bar removed, either the competitive examination would have to be abandoned, or the Civil Service surrendered to the Indians. Offering as it does to them a career of extraordinary attractions, the appointments to it would be competed for by thousands, and the English candidates would be driven off the field by sheer stress of numbers. This would be the probable effect of holding examinations in India simultaneously with those held in England, as has been sometimes proposed.

CHAPTER X.

MILITARY CIVILIANS.

BOOK III.

Military officers employed as civilians;

It has already been explained, that while in the four regulation provinces—Bengal, Madras, Bombay, and the North-West Provinces—all the superior district and administrative appointments are always filled by members of the covenanted Civil Service, in the other British territories—the Punjab, Oudh, the Central Provinces, Berar, and in the native kingdom of Mysore—administered temporarily by the British Government—the governing staff consists of military officers as well as covenanted civilians; and that the same arrangement obtains in Assam and the other non-regulation parts of Bengal, as well as in the non-regulation province of Sind, which is under the Government of Bombay; while the official staff of Burmah is wholly composed of military officers. Of the 207 districts into which India is divided, 97 belong to the regulation provinces, and 110 to the non-regulation provinces, or parts of provinces.

the engagement being formerly of a more or less temporary character,

The services of the military officers thus employed in the civil administration of the country were formerly deemed to be lent temporarily only; for although, in practice, their engagement on this duty usually extended over the greater part of their official career, their regiments were deemed to have a prior claim to their services: they were always liable to be recalled to regimental duty, on those regiments being ordered on active service; and they were also required to vacate their civil posts on attaining certain regimental ranks, unless they had already reached to specified civil grades.

Thus, *e.g.* the post of deputy-commissioner had to be vacated on the promotion of the occupant to the rank of lieutenant-colonel; but if the lieutenant-colonel, on reaching that grade, had already attained to the higher office of commissioner, he continued to be eligible to retain his civil appointment.

in all non-regulation provinces.

The accidental circumstances under which the different non-regulation administrations have been formed, from time to time, have already been explained.* It has now come to be regarded as a regular condition of every non-regulation province, except Burmah, that the official staff shall consist partly of civilians and partly of unattached military officers; and were a new government to be formed in any part of India (as for Orissa or Assam), the administrative staff would probably be organised as a matter of course in this way.

Their qualifications for such duties compared.

Disregarding for the present the usual objection, on military grounds, to the employment of military officers on these purely civil duties—an objection which, it should be observed, ceases to have weight now that they are no longer borne on any regimental lists—there have not been wanting protests against the continuance of a system, which apparently is thought by some to be sufficiently condemned when it is termed an anomaly. A distinguished member of the Civil Service, himself lately holding a high judicial post, expressed clearly enough the feeling of the class who share his opinions, when, in a report lately drawn up by him, he remarked that the force of the English legal mind must sooner or later be brought to bear on the anomaly, of appeals from the decision of a captain of infantry being heard by a major in the same service, and by him referred for final arbitration to a lieutenant-colonel of engineers sitting in appeal. Now, as to the system being anomalous, it is sufficient to reply that the existence of the British Government in India under any form is equally anomalous, while the

* Chap. I. p. 41 *et seq.*, and Chap. VII.

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plausible appeal to the sympathies of the most conservative and exclusive of professions will scarcely carry weight with those who do not allow themselves to be caught with mere sounds. It need hardly be said that the mere possession of a military title does not, of itself, disqualify the holder from being an efficient magistrate or judge, provided he be qualified in other respects; and that the fact of having served for three or four years in the army need not prevent a man from taking afterwards successfully to the law or any other civil profession. For the sake of those who want examples to illustrate this proposition, it may be useful to mention that a late distinguished member of the Civil Service, who has probably had the largest share in the progress already made of the codification of Indian law, began his career as a cornet of cavalry. The Earl of Chatham, as everyone knows, commenced life in the same capacity, and there are the still more appropriate cases of Lord Erskine and the late Lord Chancellor (Chelmsford), which probably even the English legal mind would admit form a good precedent. The real question, therefore, is narrowed to the point whether, from the previous training of military officers, they are less likely to be efficient administrators than the men who go out to India direct in the Civil Service?

with those of civilians of the old school;

Now, making the comparison, in the first instance with the men of the old school—those, namely, who entered the service through Haileybury—it would appear from what has been stated in the previous chapter that there are no grounds for assigning a preference to the one class rather than the other. Selection, with reference to fitness or qualification, in either case there was none. The only difference between the two services was that the Haileybury appointments were usually reserved for the Directors' sons and nephews, while the military ones fell more often to the relatives of their friends and friends' friends. In neither case was there any effectual process of elimination, or any severe special education. So far

therefore as selection and fitness went, the two classes may be said to have arrived in India on equal terms. The training for office began when the office was undertaken, and here a slight difference certainly took place; for while the civil servant entered upon his proper duties within a few months after his arrival in the country, the military officer was required to undergo a probation of military duty—a duty, however, which brought him into close contact with the natives of India—extending over at least three years, and often many more, before he was deemed eligible for admission to civil employ. The one class therefore possessed the advantage of making an earlier start in official life, and the superiority conferred by this advantage, such as it is, the Civil Service was fairly entitled to claim. On the other hand, though the assertion might at first sight seem paradoxical, there appear to be several substantial reasons why the military officers, as the system is worked in practice, should form even a more useful agency than the regular civilian. In the first place, if he should prove on trial to be unsuited for civil employment, or if that profession prove distasteful, the difficulty can be met by a transfer to some other occupation, but there is no similar way of disposing of a civilian. Again, with respect to the military civilians (as they are termed), the principle of selection, in advancement from one grade to another, has always been very fully applied, and many such officers may be met with in various parts of India, of long standing both in the army and civil employ, who yet are holding quite subordinate posts. Promotion in this class cannot be claimed as a right, and those who have risen to the higher appointments have usually been selected for merit. But in the Civil Service, although there is now no law to prevent the application of the same system, the practice, as has been already mentioned, is different. Be the causes what they may—home interest, the ties of family connection, or the force of custom—the practical result has been that the

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civil servant is deemed to be entitled to promotion, up to a certain point, in virtue of mere seniority. The notoriety attaching to the few cases where men of standing have been debarred from rising to be judges, is sufficient to show what are the prescriptive custom and feelings on this point. As the common phrase goes, the exceptions prove the rule. Lastly—and which is an important consideration, not often borne in mind—the military civilian is obliged to keep more strictly to his profession than the regular civil servant. He must take to it when young, and stick to it throughout his career ; he dared not even (until lately) take the furlough to England to which he was nominally entitled, lest, on return to India, he should find himself permanently ousted from employment.* No such obligation was laid on the civil servant, who might take leave or enter one of the outside departments (as the customs or post-office, or that of education), with the understanding that he would still be deemed eligible, when his turn came, for promotion in the regular line of district or divisional appointments.

and of civilians chosen by competition.

It would appear, therefore, that the training of the military civilians was on the whole at least as regular and systematic as that of their brethren of the Civil Service under the old régime. It may however be said that now, when the latter are chosen by competition, and undergo a further preparatory course of special study adapted to their future occupations, the case is different. This may certainly be admitted ; but, as has been already explained, the extent of that competition is much less than is generally supposed ; while it may be observed that the power of choice possessed by the Indian Governments, in filling up civil appointments from the army, is capable of being made a very valuable mode of selection, and one which it is quite possible may produce as satisfactory a result as that afforded by a competitive examination.

* Under the regulations of 1868 appointments are no longer vacated by taking furlough.

Advantage of this mode of supplying the civil departments;

The conditions of the Indian service, under which the first nominations to it and the bestowal of subsequent appointments are in different hands, are most favourable to a pure disposal of patronage. As a rule the Indian Governors are entire strangers to the military candidates for civil appointments, and have no motive to influence them but the desire to make suitable nominations. In the officers of the Indian Army they find a body of men already acquainted with the manners and language of the people, regarding whose character and qualifications the conditions of Anglo-Indian society afford a ready means of publicity; while the fact that a man, knowing what is before him, deliberately selects the career of a civilian, in preference to the other walks open to him in the various departments of state employ, affords a reasonable presumption that he is likely to do well in it. On the whole, this seems as good a way as any of recruiting the Indian administration, provided a fairly-searching test be established to prove that the candidate, in addition to the ascertained qualifications of good character and a knowledge of the country, possesses fair abilities, and has had a good education. Preliminary arrangements have been made on this head by late regulations, and all that seems needed to make the system work well, is that this test should be gradually raised, so that those who pass it may be proved to be on a footing of tolerable equality, in point of attainments, with the civilians appointed direct.

under properly searching tests.

Advantage offered by system, as affording career for sons of Indian officials,

Nor may it be out of place to mention, that the army forms virtually the only road to admission to Indian employment left open to the sons of Indian officials of all classes, now that nomination to the Civil Service and to Indian cadetships has been abolished. This numerous class have for the most part no opportunity of providing for their sons in English professions; and it has already become an established practice to place them in the British Line, in view to their appointment to regiments

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serving in India, and eventually, through the medium of the Staff Corps, entering one or other of the numerous departments of the Indian administration. This mode of recruiting a public service, by men who have an hereditary interest in it, and have already served a probation in public employment, seems to be free from every objection that can be raised against the nomination system, pure and simple. All that is needed in such a system is, that the pass-test shall be sufficiently searching, and regulated with due regard to the relative importance of the duties to be performed in the various departments. Strictness on this head involves no individual hardship, since the openings afforded to Indian official life are so numerous and diverse, that each man can find some walk suitable to his own calibre. From this point of view, it would appear that the existing body of civilians are as much interested as any in the maintenance of the present system, since all classes have sons to provide for.

of all classes;

and on score of economy.

The non-regulation system has also the recommendation of economy, the emoluments in the mixed commissions being framed on a lower scale than obtains in the regulation provinces. The considerable rise of salaries lately granted certainly weakens the force of this argument, but there is still a sensible difference between the rates of pay under the two administrations.

Advantage of having more than one channel of supply.

Some high authorities, indeed, would make the military service the only road of admission to the civil. But there are many advantages in having more than one channel of supply. Were all civilians chosen from the army, it would perhaps come to be thought that the success of Indian administrators was due to their previous military training; just as, if they all belonged to the covenanted service, a special virtue would be ascribed to competitive examinations; whereas in both cases it belongs really to the splendid practical training which the business of the Indian civil officer itself affords, and is wholly irrespective of the previous education or mode of admission.

The real defect in the system of appointing military men to civil situations was to be found in the injury occasioned to the army, by the inducements afforded to its best ability to seek a more lucrative field; while the extent to which this drain was carried, as the field of civil employment extended on the subjugation of the Punjab and subsequent annexations, denuded the regiments of the Indian armies of their officers to a dangerous degree. This defect has certainly been remedied by the new organisation of 1861, under which all officers on detached employment of every kind are borne on an Unattached List, and cease to have any further connection with the regiments to which they originally belonged, promotions of effective officers being made in their place. But out of this arrangement arises the remarkable condition now to be found, of a body of officers who are entitled to promotion for length of service, in purely civil duties, through the various army grades up to that of general officer, although their military functions of every kind have ceased, and their connection with the army has practically ended altogether. The considerations which arise out of this subject will, however, be better discussed in the section of this work which deals with the Indian Army.

Real objection to system based on military grounds;

and to be treated of subsequently.

CHAPTER XI.

THE UNCOVENANTED SERVICE AND NATIVE OFFICIALS.

BOOK III.

Indian public services originally conducted wholly by covenanted civil and military officers;

It has been explained in the foregoing chapters, that the only official body recognised by the law as eligible for employment in the regulation provinces of India was until lately the Covenanted Civil Service, the members of which were appointed to it in England—formerly by nomination, and now by competitive examination. The appointment of officers to the Indian Army was also recognised by Act of Parliament, and in course of time various civil offices connected with army administration came to be filled up by members from that body; while in later years the annexation of various territories, which were not attached to any of the three presidencies, termed non-regulation provinces, led to their being largely employed in association with civil servants in the duties of the civil administration; such appointments being strictly legal, since the law referred to had force only within presidential limits. These two bodies, then, the civil service and the army, formed the recognised sources from which the members of the civil administration were obtained for all important duties throughout the country.

supplemented by subordinate agency,

From the earliest times, however, a subordinate agency has of course been necessary for aiding in the business of government—the clerks, namely, employed in public offices, who are usually natives or East Indians; while the Regulations of 1793—the first regular legislative enactments of the English Government in India—provide for the appointment of subordinate native judicial officers,

whose numbers and duties have been gradually enlarged; a staff of native officials has also always been attached to the district courts. The employment of a supplementary agency of this sort has been in course of time very much extended. A deputy-collector has for many years been attached to each district; in the non-regulation provinces the corresponding officer is styled Extra-Assistant-Commissioner. In Bengal each district has been formed into subdivisions, each with a deputy-magistrate attached—an office first created by an Act of the Government of India passed in 1843. In the Customs (sea and inland) and Opium Departments, only the highest posts are filled by covenanted officers; the latter also now occupy only a few of the principal offices in the department of Finance and Account; in the Police Department the military district superintendents are in course of gradual replacement by uncovenanted officers. The department of Education has been gradually placed under charge of officers, mostly from the English universities, specially trained in that line. Of late years several barristers have been appointed to be judges of the small-cause courts and magistrates of police in the presidency towns, and to the legislative departments of the secretariat. The larger part of the staff of the public works department, which sixteen years ago was almost wholly a military body, consists now of civil engineers.

continually increasing.

This collective body of officials, numbering many thousands—which comprises, in fact, every person in the employ of the Government (except the covenanted civilians and the army) in receipt of a salary of twelve pounds a year and upwards—is termed the Uncovenanted Service, and the members of it are all on precisely the same footing, as regards appointment, the privilege of leave, and pensions. The Uncovenanted Service, therefore, does not constitute any specific body, or part of the public service; that term is applied to the whole government service, of every grade and class, excepting only

termed the Uncovenanted Service.

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the nine hundred covenanted civilians. But of this body the Court of Directors took no official cognisance, except so far that it laid down rules, from time to time, to govern the grant of leave and pensions, and to admit appeals from uncovenanted servants against the decision of the local governments on questions of personal conduct or privilege. Even at the present day no official list or register of the Indian uncovenanted servants is publicly recorded. Nor would such a list be practicable to form, for the Uncovenanted Service is not one imperial body, but the aggregate of the different provincial services, the members of which are in most cases nominated by, and hold their places at the pleasure of, the respective governments under which they immediately serve.

Uncovenanted Service never distinctly recognised;

This gradual expansion of the Uncovenanted Service, from a body of subordinate clerks to a great administrative service filling all the posts in many of the departments of the state, and of whom the leading members are in receipt of higher emoluments than military men in India can obtain in the ordinary course of their career,

and not a legally authorised body, until 1861.

appears not to have been ever fully recognised. All such appointments (with a few special exceptions) were indeed illegal until 1861, when by an Act of Parliament all offices in India, with certain exceptions, were thrown open to all persons, under prescribed conditions of fitness and qualification; the excepted appointments being the regular district offices of magistrate, collector, judge, &c., and the higher posts to which they lead, and a few appointments in the secretariat and other special posts.

Causes for restricting development of Uncovenanted Service,

The Act of Parliament of 1793, already referred to, which has been superseded by that of 1861, was passed to check an evil which threatened to destroy the whole fabric of Indian administration. India at that time was in danger of being flooded by adventurers from England, recommended by the political friends of the Governors for the time being; and had not the practice been stopped, a system of jobbery might have been established

in India, far more profligate than anything of the kind witnessed in Europe, because it would have been wholly unchecked by any local public opinion. The system finally adopted of a regular civil service, the nominations to which were entirely separated from the subsequent promotions, was probably the most satisfactory way of overcoming the difficulty inherent in a proper disposition of patronage. But while the jealousy always aroused by any preferment of members of the Uncovenanted Service to other than subordinate posts, was no doubt partly derived from the well-grounded objection to the irresponsible nature of such patronage, it was unquestionably fostered by the strong ties of interest which bound the governing body and the Civil Service together. The gradual rise of the Uncovenanted Service to fill posts of comparative importance has been the effect of circumstances. The business of administration, constantly increasing from year to year, has demanded an increase of official agency to an extent which could only be met by introducing a class of officials on a more economical scale of emolument than was recognised to be suitable for the regular civil service. Hence the uncovenanted deputy-magistrates of Bengal, the European non-military officers of Police, and the staff of the Customs and Opium Departments; while in other branches of the service, such as the Public Works and Education Departments, the conditions of the case have necessarily involved a new kind of agency.

gradually overcome by force of circumstances.

But although persons outside the pale of the civil and military services have thus been gradually elevated to posts of emolument and importance, their position is still only partially recognised officially. The complicated table of official precedence in India wholly ignores uncovenanted servants of all grades, and, according to it, the youngest civilian or ensign would take precedence of every uncovenanted officer in the service; and this in a country where official rank is the only rank

But its official status not even yet recognised, in table of precedence,

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recognised, and where salary is clearly the most suitable gauge of the comparative responsibility and importance of the various offices. It may be said that this title to precedence is a paltry matter, and so perhaps it is; but if the rule is maintained at all, it ought surely to be established on some reasonable basis. Even for the Civil Service the present arrangement of precedence based on seniority is quite unsuitable. It is equally so for the military officers in high civil situations, who, as well as the civilians in the same category, are often according to the table of precedence the social inferiors of their own subordinates. The time has certainly arrived for taking up the matter anew; for either abolishing all local rules on the subject, or establishing a new scale of precedence, to include all classes of public servants, and determined solely with reference to official position. The former course would certainly appear the more simple and appropriate. No table of precedence, however carefully prepared, would provide for every case; at any rate the rapid course of administrative changes would speedily render it obsolete, while it would be open to the fatal objection of excluding all the non-official classes. But if the present rules determining the precedence of the Civil, Military and Ecclesiastical services among each other were simply abolished, except for a few of the highest appointments, it being merely provided that the members of each public department should take rank among themselves according to departmental standing without reference to the services they belonged to, all difficulty in the matter would disappear.

or by appropriate leave and pension rules.

Another anomaly is to be found in the state of the leave rules, which are precisely the same for the native clerk, whose life is spent in the place of his birth, as for the English gentleman, whose family has to be sent to England for its education, and whose only chance of recovery from sickness is often to be found in a sea-voyage there. The result has been a compromise in the

Inconsistency involved in its present organisation.

form of rules convenient to neither class. The pension rules are open to the same objection. Against a change, it is usual to urge that a government situated as is that of India cannot recognise a difference of race or class. But it is surely by no means a self-evident proposition, as seems to be supposed by those who ordinarily use it, that it is the duty of the state to deal alike with all classes of its servants. Moreover, to say nothing of the fact that the natives of India are distinctly excluded from the commissioned ranks of the army—whether wisely or not is beside the present question—and that they are practically excluded from the Covenanted Civil Service by the conditions under which the competitive examination is held, the smallest consideration of the matter will show that this assumed impartiality of treatment has no existence in fact. On this head it may be sufficient just to notice, that the practice of open concubinage, which is not deemed inconsistent with the maintenance of respectability in a Mahomedan, would not be tolerated for an instant in a European servant of government. Equally is the latter prohibited from exercising the same latitude in dress and manner of life that is customary among the natives of India. It is obvious, then, that in reality the toleration which the Indian Government both professes and practises, is quite incompatible with the non-recognition of class and race distinctions; and that when a mode of life is allowed to the Mahomedan and Hindoo servants of government which would be considered disreputable in a Christian, there would be no inconsistency in also recognising the exotic condition of the European, and according to him privileges in respect of leave to visit a better climate when necessary, and special provision for retirement, which are not necessary or desired by the native public servants. There is no doubt a paramount obligation on the state not to employ Europeans in posts which can be efficiently filled by natives of the country. But on its being determined that the former are required

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for certain offices, there is no sort of obligation to disregard the fact that they are Europeans. On the contrary, the profession of an impartiality in their case, which really places them at a special disadvantage, is quite inconsistent with the attitude adopted towards the two other great official bodies.

Inappropriateness of present classification;

In truth, the time seems to have arrived for recognising publicly the complete unsuitability of the old narrow traditions regarding what is termed the Uncovenanted Service to the facts and requirements of the present time. The separation of the servants of the state into two classes—one consisting of only a few hundred members, employed on a special class of duties; the other, numbered by thousands, comprising all the rest, and filling every imaginable post and office—satisfies none of the conditions of logical division, or of the wants of the times. What seems to be required is, that the delusive idea that the servants of the state other than the covenanted civilians really constitute anything in the nature of a 'service,' as ordinarily understood—that is, a body having any link in common other than that of being state servants—should be abandoned; and that in place of it a classification of the public service should be introduced, based on the different branches composing it. Thus, in place of a covenanted and uncovenanted service, there would be a revenue service, a judicial service, an engineer service, and so forth. At the same time a separation is needed between the subordinate and superior officers of each department. All the members of the public offices in England belong, strictly speaking, to the English civil service—that is, they are in the service of the state, and are employed in a civil capacity; but the porters and messengers are not included in the body known by that name, the application of which is limited to the gentlemen who, entering the public offices as junior clerks, are eligible to rise to the higher permanent situations; and what seems to be needed is a similar kind of separation

which should be replaced by departmental organisation;

and separation of superior from lower grades,

between the subordinate and superior branches of the different Indian departments, carried out with regard to the qualifications and conditions for admission to each branch. The subject is of too detailed a nature to pursue at length here, but the practical settlement of the matter should not be attended with any particular difficulty. It may be just mentioned, that the sort of classification referred to has already been introduced into the Finance and Account Department, the higher posts in which are filled by an establishment of officers who enter at once upon responsible duties, as assistants to the different provincial accountants-general, and are entirely distinct from the subordinate clerks and accountants, the latter not being entitled to rise beyond a certain point except in cases of special merit. The same sort of classification has been carried out very thoroughly in the Public Works Department. So soon as this were done throughout the public service, the elements would be obtained for determining the appropriate conditions of granting leave and pension in each branch of the service. Not that such a mode of regarding the case of each branch separately, necessarily implies that a great diversity of rules and systems of leave and pensions would be found suitable or desirable. On the contrary, it would probably be ascertained that the conditions of many different branches of the service would present sufficient similarity to admit of their being brought under uniform rules, and that the regulations finally resulting from such a mode of dealing with the case, would not be less simple, on the whole, than those at present in force. But they would, at any rate, be based on considerations of fitness, instead of being arbitrarily framed on the perfectly untenable hypothesis that all state servants, with the exception of one small class, ought to be placed under identical conditions.

already virtually in force.

No complexity involved in change.

This question of precedence and grading is, however,

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Unsatisfactory position of

after all, one of quite minor importance in comparison with that which has now to be noticed—namely, the extraordinary and exceptional position held by the majority of this great body (which, for want of a better title, must be called for the present the Uncovenanted Service), in its ineligibility for preferment beyond quite subordinate positions. From this category must be excluded the departments of recent growth—namely, those of Public Works, Account, and Education, which, as has already been explained, are of a special character. In the last-named there are no civilians now remaining, and the prospects of promotion offered by the higher posts have been found sufficient to attract the needful supply of competent professors and inspectors, and more than one eminent scholar, to its ranks. The Civil Accounts Department has lately been organised on a scale of salaries, which, while it practically deters covenanted civilians from entering the department, offers a reasonably fair career to those who have succeeded them. The fiscal Departments of Opium and the Inland Customs are also self-contained, with their distinct lines of promotion to all but a few of the highest posts, which are retained by covenanted officers. The Police Department, of which the military superintending staff is gradually being replaced by civil uncovenanted officers, offers, if not a brilliant career, at least a means of comfortable livelihood. There is no question in any of these lines, of preference given to one class over another, or of exclusion from promotion. The whole department is filled by one class of persons, and the promotion, so far as it goes, runs through it, every member having an equal chance.

judicial and revenue branches of uncovenanted service,

But the position of the judicial and revenue branches of the service, in which the whole body is maintained, from first to last, in a completely subordinate position—where all the prizes are held by a special class of privileged foreigners, and the rest have no prospect of distinction or promotion, no matter what their merits—is one

of the most extraordinary ever found under a civilised government.

especially the former,

I will first refer to the judicial service more particularly, because this line is principally followed by natives, and it is one for which they have shown themselves peculiarly well-fitted. In other departments of the state, European agency, if not necessary to be employed, is, at any rate, likely to be at least as efficient; but for presiding in the courts of justice, an intimate knowledge of the language, customs, and manners of the country is essential, and efficient European judges could not possibly be procured, to the required extent, on such remuneration as could practically be given. As has already been stated, each district in the four regulation provinces is provided with a number of civil courts, presided over by subordinate judges, vested with different degrees of authority—the general superintendence of the whole resting with the covenanted European judge. The powers of some of these officers are very extensive,* and in all of them the public interest demands a high standard of ability and integrity. But the conditions under which they serve are directly opposed to the cultivation of such qualities. The salary of the lowest class of judge (the munsif), is the one-twenty-fifth, and that of the highest is less than one-fourth, the salary of the covenanted officer.† The native judge, moreover, has nothing further to look forward to, while to the other this post is merely a stepping-stone on the road to preferment. Yet in no other part of the world perhaps is there greater need to elevate the character of the judicial service, for nowhere else are the proceedings of the courts so little watched by the public, or exposed to the influence of outside opinion.

in respect of emoluments and prospect of promotion.

The origin of this peculiar state of things is explained

* The jurisdiction of a Subordinate Judge, so far as civil suits go, is actually more extensive than that of the Covenanted District Judge.

† The salaries of the native judges have been lately increased, and are now [1870] considerably higher than is stated above.

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Causes which have brought about this result.

by the history of the case. The judicial service as now organised was the creation of Lord Cornwallis. When the English first became masters of Bengal, they continued to maintain the native administration of both the revenue and judicial services which they found in force, confining themselves to the business of general supervision. The direct management of the revenue was first assumed by Warren Hastings, in whose time collectors of revenue were appointed to the various districts; but the judicial courts continued to be presided over by natives, until Lord Cornwallis assumed the government. During his term of office a complete reorganisation was carried out of the civil administration, every branch of which was placed under the management of covenanted civil servants. At the same time a complete change was made in the mode of remuneration. Theretofore the salaries of all classes of officials, European as well as native, had been fixed at merely nominal rates, the remuneration of the former being virtually derived from a commission on the revenue, the profits of private trade, and other irregular sources. In order to put a stop to the irregularities and scandals which this system had occasioned in all branches of the service, Lord Cornwallis at one step raised the salaries of the European officials to the rates which have been ever since in force—munificent at that time, and still liberal—and by this means, once and for ever, purified the service. With respect to the native officials, either the attempt at purification was deemed hopeless, or the measure was considered too costly to be practicable; at any rate their emoluments were not raised, but the remedy was sought by taking the business of the administration as far as possible out of their hands. This, however, could not be done in a very complete fashion, and it soon became necessary to resort to native agency again, from the numerical insufficiency of the Europeans available to dispose of the business coming before the courts. The

number and jurisdiction of the native judiciary have in consequence undergone gradual and continued increase; the greater part of the courts is now presided over by native judges; the great majority of the officials in every court are natives; and the present state of the service is such as will probably not find a single defender.

In a Parliamentary return* issued from the India House in 1853, it is naively remarked: 'Here then [in civil suits] the native judge exercises the same extent of jurisdiction as the European functionary. Native and British qualification and integrity are placed on the same level.' The same paper shows that the highest judicial preferment open to a native was an office with an annual emolument of 720*l.* a-year—less than one-fourth that paid to a district judge. The fair inference would thus rather be that native integrity was placed on a much higher level. It may be argued, in rejoinder, that the native has fewer wants; that money goes further with him than with the European; that he is serving in his own country, whereas the latter is an imported exotic—and so forth. That the native is comparatively more frugal may be readily admitted, although, it has to be observed, this quality is not allowed to weigh against him when comparing his merits with any but the covenanted branch of the service; but probably no one will deny that the native places quite as much store on the possession of money as does the European, and this is the only point material to the question.

Case of ministerial officers of law-courts.

Nor, when judicial establishments are spoken of, are the native judges alone to be considered, although they form a very numerous body. The court of every European judge, or officer performing judicial functions (as well in the non-regulation as the regulation provinces), has attached to it a staff of native officials—registrars, clerks of the court, and so forth, whose stipends are barely sufficient to find them in the clothes they wear,

* Statistical Papers (India), No. 369, dated 20th April, 1853.

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and who must necessarily look to irregular profits, which the habits of suitors and the traditionary feelings of the people render only too easy to obtain. And since these establishments are recruited from the native bar, the latter must needs share in the general spirit of demoralisation which pervades our district courts. Either the abler class of pleaders will refuse posts in the judicial service, and these must be filled by the incompetent, or they must look to other than the recognised emoluments as an inducement to give up their private practice. Either result is equally lamentable.

Nature of reform desirable.

It is needless to pursue this theme. The deeply unsatisfactory state of the native element in our courts and judicial system is freely admitted by everyone officially connected or acquainted with it. But beyond partial palliatives, nothing has been yet done to remedy the evil, which it has been usual to accept as one incapable of cure. The difficulty of the task is indeed enormous: when the extent of our establishments in India is considered, it would appear as if only a vast expenditure would suffice for the purpose. What has to be done is to raise the salary of every judicial officer and servant connected with the courts throughout the country, up to a point which shall place him beyond temptation—temptation, that is, arising out of the mere wants of life; and this involves a reform of almost appalling magnitude. Something was done towards this end in 1868, during the administration of Sir John Lawrence, but the reform stopped far short of the point at which service in the courts would come to be sought after for the direct emoluments attached to it; and until the difficulty be boldly faced and thoroughly carried out, a great blot remains on our administration of the country, not the less disfiguring because, from long custom, we have almost ceased to notice it, or at any rate are wont to regard it as an irremediable blemish.

Increased emoluments,

Increased emoluments are not, however, the only

means of improving the character of a public service. An equally effectual incentive is to be found in opening up prospects of promotion to the deserving, and on this head the question has now to be asked—whether the principle laid down eighty years ago, and acted on ever since, that the natives of India shall be excluded from all but the most insignificant share in the government of their own country, is to be maintained for ever? And, if this question be answered in the negative, whether the time has not come for reversing that policy, and entering on a comprehensive plan for admitting them to places of honourable responsibility?

and improved prospects of promotion.

There are some persons to be found, no doubt, who will allege that a reformation of the native branch of the service is not to be hoped for from any administrative measure; that the native character is by nature deficient in the attributes which are required in an honourable public service; and that the only result of the reform here advocated would be an enormous augmentation of the public burdens, without any commensurate improvement in official morality. To those who take this view, it may be sufficient to reply that a similar argument would, eighty years ago, have been equally conclusive as to the impossibility of purifying the European element of the service, which was in fully as unsatisfactory a state at that time, with respect to the ordinary standard of English morality, as the subordinate native branches of the service are at the present day. It cannot be predicted with certainty that good pay will make the latter honest, but it is quite certain they will never become honest without it. The present system offers a constant invitation to fraud and immorality.

Possible arguments against reform considered.

Further, until the native official service be elevated, and some avenues opened to high office, no place can be found in it for native gentlemen of rank. The present system assumes that every native official shall enter the service at the bottom of the official ladder; and so long as this is

Desirability of extending official employment to natives of rank;

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the case, and there are absolutely no prizes, natives of good family and respectability necessarily keep aloof from official employment; and this perpetual ostracism of the highest classes of the native gentry and nobility is one of the worst features of our administration. Of course it will be replied that these classes are not fitted for responsibility; that they bring up their families in sloth and ignorance; and that the native officials must be sought among the *bourgeois* and still lower class, whose faculties are not yet enervated by hereditary vice, and who eagerly pursue the advantages of the education offered by the English colleges and schools. But it is our system of government which has helped to drive the indigenous nobility to this state of ignorance and seclusion, and our system of education fosters it. While the English in India establish their own place in the social scale at a height far above natives of all classes, it seems to be expected that all distinctions of rank shall stop below the white blood. This is the case at least where state education is concerned. The Government schools, though the better ones work up to a high standard of education, are based on a democratic assumption of equality among the students; and the scale of fees is fixed so low as to place them within the reach of almost the poorest classes. Now it is found that even the lower tradespeople of England will not send their children to the national—but prefer the wretchedly bad education to be got in the lower middle-class private schools, to allowing them to mix on terms of equality with the children of working-men. Is it then wonderful if the native nobility and gentry of India keep aloof from our schools? One of the first wants of the country is an institution adapted for the education of the sons of this large class, which should be for them what the English public schools are for the upper and middle classes of England. At present, a native nobleman has no means of giving his son a good education, short of sending him to Europe.

of affording them the means of education;

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Nor is it only that the upper classes of India should be encouraged to enter the public service freely; the highest class of native agency might be employed to enormous advantage as additions to the regular official staff. The great hereditary landholders, whose estates are some of them as large as English counties, and who possess the social influence among their countrymen which landed property confers in every part of the world, would no doubt gladly accept a share in the administration; and their services might be utilised to a great extent, and with little expense, for official emolument would be no object to men of this class. Something has been done in this direction by the appointment of a few native gentlemen to be honorary magistrates, but their powers have as yet been very limited, and exercised under strict supervision from the neighbouring English official. What seems now to be required is, that the heirs of these great properties should be trained to undertake higher legal functions, and that the younger members of the family, instead of being allowed to grow up as idle hangers-on of the heir, with nothing to look forward to but a life spent in monotonous dissipation, should be trained to earn their livelihood as members of some of the numerous branches of the administration.

and extending their agency as an unpaid magistracy

While, however, it may be hoped that the use of the best kind of native agency could be in this way indefinitely extended, it seems proper to guard against the expectation that any very sudden or rapid reform is to be looked for. A whole race of men is not to be brought out of obscurity and endowed with capacity for usefulness all at once. No doubt the power thus newly placed in the hands of a class unaccustomed to wield it will be at first frequently misapplied or abused; nor will such lapses pass without adequate notice. A considerable portion of the Indian press is consistently devoted to extolling the superiority of the English over the natives in all things, and especially to pointing out the defects of

Reform can only be gradual.

Difficulties to be encountered,

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native rule. These papers maintain their correspondents in the principal native states, whose letters have as their perpetual theme the misrule of which the writers are witnesses; and we may be sure that the proceedings of all native officials of rank will be jealously watched, and their mistakes and errors prominently chronicled. But the difficulty of the reform proposed does not render it less incumbent on the rulers of India to undertake it. As for those who assert that the natives are deficient in the capacity for administration, it seems sufficient answer to them to point to the many instances of ability which the history of native states affords—ability, be it observed, quite unassisted by the traditions and experience which guide European statesmen, and which has evolved order and system out of chaos in the brief space of one man's tenure of office. The capacity of Indians for legal business and the exercise of judicial functions will be admitted on all sides.

But while, on the one hand, this plea is preferred as an excuse for not extending the employment of natives, on the other, their exclusion is often urged by many, on the ground that it would be dangerous to elevate them to posts of authority, and that a policy of safety requires the retention of all power in our own hands. The two arguments are obviously inconsistent with each other; and as regards the second—not to urge that any policy which shall give the leading natives of India a personal interest in the maintenance of the administration should enhance its stability—it may be replied that a future which shall find them in occupation of anything like a political equality with ourselves, is clearly so far removed from the present, that it would be quite premature to discuss its condition seriously.

State legislation has cleared the way for change.

As regards the best means for giving practical effect to a new and more liberal policy in this respect, it should be explained that natives, if properly qualified with respect to the various departmental tests, are now eligible for any

office in the country, the disability created by the Act of Parliament of 1793 having been removed by the Act of 1861* already referred to—an Act which has so far remained inoperative. Two natives have certainly been appointed to the bench of the Calcutta High Court, since its formation (one succeeding to the vacancy caused by the death of the other), but this was done under the provisions of a separate Act.

Admission of natives of rank to Civil Service advocated;

A still more liberal measure—yet one not more liberal than politic—would be the appointment of some natives of rank to the covenanted Civil Service itself. The value that would be attached to advancement of this kind can, perhaps, be adequately appreciated only by one familiar with the country, who knows the width of the gap which separates the official aristocracy from even the highest class of natives. The latter, although nominally eligible for admission to the Civil Service, are virtually excluded by the conditions of the competition, which involve a voyage to England.† At any rate those who undergo the ordeal will not be the most fitting persons to be chosen. A competitive examination of any kind, and especially if held in England, is an extraordinarily unsuitable means for the selection of Indians to high employment. The successful competitors will be chiefly the sons of subordinate clerks in the public offices, the class which makes

* 24 & 25 Victoria, cap. 54, termed the Indian Civil Service Act. The assertion given above would certainly appear to be controverted by a Resolution of the Government of India (published in the latter part of 1867), in which it is stated that, inasmuch as the law reserves all higher appointments in the regulation provinces for the Civil Service, the non-regulation provinces only can be looked to, as a field in which to satisfy the legitimate ambition of deserving natives. A ruling from so high an authority might seem almost conclusive; nevertheless the wording of the Act appears so plain as to admit of only one meaning—namely, that all offices, with certain specified exceptions, are open to all qualified persons without restriction, and that the excepted offices also may be filled by any person who has resided seven years in India, and satisfies the prescribed departmental tests, the approval of the Secretary of State being obtained to the appointment in each case.

† See page 238.

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the largest use of the almost gratuitous education given in our schools; and they will be chiefly Bengallees, because on them caste prejudices sit lightly, and this people shows an unquestionable aptitude for learning. But they have little more in common with the inhabitants of India generally than have the English rulers. Yet this is the class which will be first in such a race, and so far as the natives are concerned, the probable effect of making unlimited competitive examinations the door to the Civil Service would be, not a government of India by the Indians, but to transfer the reins of power to a body whose rule would be vastly more distasteful to the people of the country generally, especially to the higher classes, than a government by aliens who at any rate possess some of the attributes required in a governing class. Competitive examinations, in short, applied to India, would secure quite the wrong sort of men, because the higher classes of Indians who are most fitted to govern, and whose government would be most acceptable to the Indians themselves, stand aloof from our English education and cheap English schools. But if a place of education were to be established, such as has been proposed, for the higher youth of India in that country, and occasional appointments to the Civil Service were to be bestowed on the most distinguished and well-conducted students, a very powerful inducement would be created to qualify by a thorough education for the duties of that calling. There need be no question here of competitive examinations, or any other test out of accord with the sentiments and ideas of the class concerned. The nomination would be most highly appreciated, and appropriately made, if conferred entirely at the discretion of the Viceroy, the head and fountain of authority and dignity in India.

and advancement of selected members of Uncovenanted Service.

While treating of this subject, it will be proper to add a few words on the position of the European uncovenanted members of the revenue and judicial services, who, like the natives, are now practically excluded from advance-

ment to other than subordinate posts—to whom, in fact, a career of distinction is closed, no matter how great their talents or deserts. In favour of maintaining this restriction, unknown to any public service in any other part of the world, it would be urged by the defenders of the system, that the occupants of these posts—such as, for example, the deputy-magistrates of subdivisions in Bengal—have elected to enter the public service knowing its conditions beforehand; that they are often persons who, having tried other professions and failed in them, enter the government service as a last resort; and that they are appointed without undergoing any special test of qualification. This last objection is easily surmounted; if the service is made better worth entering, there will be no difficulty in improving its tone, and raising the standard of admission. As regards the other objection, no doubt the service is recruited to some extent in the manner stated, but there are ample means of subsequently testing every man's calibre. It is not proposed to push forward undeserving men, but only those specially deserving; while it is surely desirable that all the members of the great official society to be found in India should feel that merit need not be hopeless of reward, wherever it be displayed. The need of good service in every branch of the administration is too pressing and constant to be withstood any longer by artificial barriers of this kind.

Objections likely to be raised.

Another objection appears at first sight more forcible, and it was that which led to the provisions introduced into the Act of 1793. If office in India were made available to all classes of persons, other than those who have entered the Civil Service, an opening, it may be urged, would be afforded for jobbery in patronage. But although this might have been the case in former times—when, under the rough and imperfect organisation then obtaining high appointments could be filled without previous preparation in subordinate offices; the present state of administration, with its organisation by departments, which can

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be entered only in the lowest place, and in which promotion is regulated by seniority—this, and the influence exerted by official opinion, effectually prevent a gross misuse of patronage. Further there is a very sufficient safeguard in the conditions prescribed by the Act of 1861, of passing the prescribed tests, of seven years' residence in India, and of approval to the appointment by the Secretary of State. It is inconceivable that a man should deliberately betake himself to India on the chance of a political friend holding an Indian Government seven years afterwards.

Another argument, and one not unfrequently pressed, is that the promotion of uncovenanted servants to higher posts would constitute a breach of faith with the covenanted civilians, who have entered the service on the understanding that these would all fall to themselves. This plea, however, can clearly not be deemed applicable to the civilians who entered the service subsequently to the passing of the Act of 1861, while the argument appears invalid, even as regards those of longer standing —unless, indeed, the claim be set up that they are entitled to all the preferments existing as well as to be created hereafter. The Indian patronage is not a fixed quantity, but has been constantly and steadily increasing, as new territories have been added, and fresh demands have arisen for more refined and complete administration, and the latter cause of increase is still in full operation. In this way the prospects of every man have improved since he entered the service; and in the face of this fact it appears at least reasonable that the other great official body should also share to some extent in the benefit. The lieutenant-governorships on 10,000*l.* a-year, the chief-commissionerships on 6,000*l.*, and the new appellate judgeships: all these, which are recent creations, may fairly be deemed a set-off against the withdrawal of a few lesser posts. The invasion need not be carried far. No extensive advancement of subordinate officers is needed or

practicable. All that is wanted is the assertion of the principle, that merit in the subordinate ranks shall not be unrewarded, that the uncovenanted officers shall not be barred from all prospect of advancement. The promotion of two or three such to be district collectors or judges, would probably do more to elevate the character of that service than any general increase of salaries, and such a measure of promotion could not retard to any appreciable extent the advancement of the great official class. Unless it was intended that such promotion should be occasionally made, it is not apparent why the Act was ever passed. While, as regards the natives, their gradual introduction to a share in the administration of the country must necessarily be a slow and gradual process, chequered with much disappointment; and their advancement will not stand in the way of, at any rate, the present generation of English officials.

CHAPTER XII.

THE JUDICIAL SERVICE.

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Tendency towards separation of administrative functions.

THE READER who has followed the course of this work thus far, will not have failed to notice the gradual tendency of the progress of Indian administration towards greater refinement and exactitude of organisation; to a change from the simple system of oriental governments—where the same individual united the various functions of the state in his own person, and moved from one office to another without reference to previous antecedents and training—to the existing state of things, when the different branches of the administration have become divided into separate, well-defined channels.

Regrets expressed at the change;

There are to be found some, indeed, who look back with regret on what they fondly term the patriarchal system of government, when there were no inspecting heads of departments, and but few rules to regulate procedure. The present system of checks and counter-checks, of inspecting-officers and division of labour and responsibility, tends, it is said, by converting administrative officers into machines, to damp the energies and to dull the zeal which was engendered by the old system of latitude and individual responsibility.

how far justified.

So far as regards the courts of the regulation provinces, it may be doubtful whether the tendency of change has actually been manifested in this direction. From the first establishment of an organised government, that is, from the time of Lord Cornwallis, a most complex system of procedure was laid down; and although dis-

trict officers of all classes are now required to report their proceedings with much greater precision than formerly, on the other hand the junction of the offices of magistrate and collector was a great set-off in the direction of personal government, while the modern codes have greatly simplified procedure. In other parts of India the tendency has no doubt been towards greater formality of procedure and exactitude of routine, while in all parts the management of the police, jails, and the public accounts has become more centralised. But it has to be observed that if the patriarchal system afforded greater scope for the exercise of individual energy and ability, it also afforded greater scope for individual indolence and incompetence. At any rate, be the change for better or for worse, the tendency of it may be regarded as inevitable.

Course of improvements effected in judicial service.

Originally, as we have seen, the civil servants were employed wholly in a commercial capacity. Upon this were gradually superadded the duties of government; but even then the members of the administration passed from one description of duty to the other in course of promotion, and until 1833 the commercial appointments were among the most dignified and lucrative in the service. Eventually, the commercial business of the Company terminated, and the main body of the civil servants became divided into two principal divisions, employed on judicial and magisterial, and fiscal duties respectively.

Establishment of High Court

Similarly, the powers of the appellate court of justice were in course of time transferred from the dignified if unsuitable tribunal of the Governor-General or Governor and Council, to a court of senior civilians, who had usually undergone a special training for their position by previous service as district judges; while the reform was finally completed, in 1861, by the amalgamation of this Suddur Court of Dewanee and Foujdaree Adawlut, with the Supreme Court of Her Majesty's Judges chosen from the bar. This, which is, perhaps, the most useful reform

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introduced into Indian administration of late years, completes the judicial edifice at the summit; a bench thus composed of English lawyers chosen from the bar, and the ablest of the civilian judges, affords the best composition for such a body which under existing circumstances could be made. But the judicial service ought to be still further separated from the general business of the administration. There are some, indeed, whose panacea for all defects in the judicial service is the introduction of English barrister-judges to all the superior (*i.e.* appellate, district, and small-cause) courts of the country, and who would limit the occupation of the Civil Service to fiscal and general administrative business. This view is perhaps not unnaturally held by those to whom the only mode of obtaining judges familiar to them has, in consequence, come to be regarded as the only suitable one. Yet because this system has been long established, in a country where there is a very large bar and comparatively a very small bench, it cannot therefore be taken for granted that the practice of an advocate constitutes necessarily the best training for judicial duties. It is the only training ordinarily available for an English judge; but there is plainly a good deal to be said in favour of a training wholly judicial—in which a man, instead of being constantly employed on one side of a case, should be practised from youth in weighing evidence, and holding the scales of justice evenly between conflicting parties; and should be gradually advanced from the disposal of minor suits to presidency over important trials. It is at least conceivable that such a system would not only furnish a sufficiently good mode of supplying judges, but might prove to be actually the best mode of doing so. However this might be, a scheme for supplying barrister-judges—by whom must of course be understood barristers with a reasonable amount of experience, and not men who have merely been called to the bar—will appear on consideration to be impracticable.

Barrister and civilian judges.

An essential condition of qualification for an Indian district judge, must be a knowledge of the language of the suitors. Anyone conversant with the presidency High Courts must be aware of the disadvantage which both judges and bar labour under, in having often to deal with witnesses through the medium of an interpreter; but to place judges not familiar with the vernacular, to say nothing of the habits and customs of the people, on the bench in the outlying district courts of original jurisdiction, where there is no bar, and the majority of the suitors are an unsophisticated peasantry, speaking a rude patois, would be to impose an intolerable burden on the country. The idea, therefore, of filling up the Indian judgeships of the district courts by young barristers from the English bar may be set aside, while the Indian bar is altogether too small to supply such a demand. Briefless barristers waiting for a practice are in India quite the exception; none, as a rule, establish themselves in that country unless with the prospect of earning a livelihood at once, and a competence for retirement in a few years; and to all but a few the salary of a district judge would be insufficient to tempt them from their profession.

Further separation of judicial and administrative appointments how far desirable.

But those who fully recognise the necessity for maintaining the existing system of judicial appointments, and who admit that a training gained on the bench may be as thorough as a training at the bar, yet consider that the importance of a sound administration of justice demands a more complete separation of the judicial branch from the rest of the public service than is at present maintained. Not that the mixture of offices is so great as might be supposed from their titles. An officer usually passes through the grades of magistrate and collector before appointment to a judgeship; but, as has been already explained, the magistrate exercises extensive judicial functions under the criminal law, and the experience of the complicated system of Indian land-tenures obtained in the collector's office is a very useful prepara-

tion for presiding in a court where a large proportion of the suits arise out of disputes about real property. Moreover, the collector's office is also in many respects a judicial one. A judge has certainly in most cases no means of previously obtaining experience in the general civil law of the country; but the body of that law is not very extensive, and his training in the important duty of acting judicially commences from the date of his admission to the service. But it would be quite practicable to combine a provision for affording to every civilian the means of obtaining that needful acquaintance with the customs and usages of the people and the tenures of land which can only be acquired by district work, with a much more definite separation of the revenue and judicial services, and a much more complete legal training for the latter than now obtains. The regular line of promotion is at present through the grades of assistant and joint to full magistrate and collector, while after holding charge of a district for some years the magistrate-collector is promoted in turn to be district judge—usually after about twenty years' services. And the change of practice which seems to be called for is that the civilian should be required to make his selection finally between the revenue and judicial services before promotion from the grade of joint magistrate, and that a grade of subordinate judge should be established, through which the covenanted civilian would pass before arriving at the post of district judge. This might easily be arranged by a re-distribution of the duties at present performed by the covenanted and uncovenanted judicial officers, including those attached to the small cause courts, while at the same time the salaries of judges and magistrate-collectors might be fixed at the same rates, so that the two lines of service would afford equal prospects of promotion.* If a division of the ser-

* This is already the case in Madras and Bombay, where moreover there is already a much greater separation of the two services than obtains in Eastern and Northern India.

vices were carried out in this way, and every young civilian before coming to India were properly educated in the principles of law, the needful conditions of a competent judicial service would be secured.

Another defect of the existing system appears to be that judges, after gaining experience on the bench, are not retained there. The ordinary course of promotion, in Bengal and the North-Western Provinces, is from judge to commissioner, and thus a civilian, after five or six years' practice in the former capacity, is often transferred to a post where his judicial experience is of little service. Even in the provinces where this course is not recognised, or where the office of revenue commissioner does not exist, a judge, as elsewhere, is considered eligible and entitled with other members to succeed to the higher posts of the service. The High Court itself is not a final resting-place, more than one able judge having been taken from it to be governor of a province or member of council, and this practice adds to the difficulty of maintaining a full bench of competent judges, especially in a country where the term of official service is comparatively brief. It will therefore not be sufficient to create a separate judicial service; it should also be distinctly laid down that the only possible preferment open to a district judge is to the bench of the High Court. Such a rule would no doubt operate to deter some able men from accepting judgeships; but the result would be to give earlier promotion to others, and consequently in the end a body of judges of longer standing and greater experience.

If this complete separation of the revenue and judicial services were to be carried out, it would become practicable to fill up the benches of the High Courts wholly, or almost wholly, by the promotion of district judges. This change would be attended with a saving of expense, because the emoluments of a High Court judge might be considerably reduced below their present figure, and yet be sufficient to constitute substantive promotion to the

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members of the Indian service. The present rates have been fixed on a high scale to induce English barristers of legal experience to accept these appointments, but the object has not always been attained. It is found that men who have made their mark at the English bar will not accept puisne judgeships in India, while a member of the civil service who has given evidence of a certain amount of mental capacity at starting, and has subsequently been occupied for a long course of years in judicial business, is presumably more likely to be fitted for the bench than an untried barrister. But the saving of expense would be the smallest part of the gain. So long as the Indian judges chosen from the civil service are liable to be deficient in legal experience, a leaven of English lawyers is no doubt necessary, but the substitution of English for the vernacular as the language of the courts which follows from their employment is an unquestionable evil. It must be a manifest disadvantage to those who administer justice to do so through the medium of interpreters and translated papers, but the disadvantage to the suitors is still greater. The tendency of the times is indeed unquestionably to obtrude English ways and modes of thought, as well as English speech, into Indian affairs generally, and not merely into legal business, but it is not the less from some points of view to be regretted. The change is no doubt to a certain extent inevitable. The larger number of British troops stationed in the country, the influx of European traders and European engineers and others engaged in its development in various ways, whose stay in it is more or less temporary, and who have not the same means or need for identifying themselves with the interests of the people as the great governing class has been accustomed to do—these changes so rapidly going on, while attended in many ways with unquestionable benefit, have still the effect of pushing into the background that sympathy for the feelings and interests of the mass of our native subjects, and that intimate knowledge

of them, which it should certainly be the object of our polity to cultivate. To these causes may be added the tendency developed of late years towards a more highly organised form of administration. The heads of the centralised departments, which have gradually replaced the old patriarchal mode of government when each district officer combined all administrative functions in his own person, have but little need for intimate contact with the people; and whereas formerly every high official had passed at any rate the earlier part of his career in district duties, which brought him into close relations with the people, and especially the rural classes, it now becomes daily more easy to pursue a successful official career by passing from step to step through the different posts of the various central bureaus of the government. At no time indeed have the Anglo-Indian officials as a body been conspicuous for their philological attainments; really good linguists among the district officials, even to the extent of being able to speak and understand with thorough ease the dialect of the country, have always been rarer than might be supposed; but whereas formerly the Indian civilian was usually an authority, compared with other Englishmen in the country, on all matters relating to the people, many seniors in the service may now be met with who could not speak half a dozen sentences in the vernacular in grammatical sequence, and would be quite incapable of maintaining a sustained conversation with an Indian. The evils of this tendency are unquestionable; and although the increasing isolation from each other of the two classes which necessarily follows may be disguised by the extension of the use of English among the natives, it is not the less taking place. The adoption of European manners and speech is but a thin veneer over the original rough material, and is only found amongst a small fraction of the people about the centres of European trade. The millions remain as before, and no appreciable progress has been or is likely to be made in extending to them the

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knowledge of our tongue. And as a counteracting effect against this, a return to the practice of recording the business of the law courts in the language employed by the suitors would be an unquestionable benefit.

Separation advocated of district from general administrative services.

Another change which appears very desirable is the more complete separation of the body of officials employed on district duties, revenue, magisterial, and judicial, from those attached to posts which do not bring them into contact with the people of the country, and therefore do not afford the means of acquiring the special experience most useful for the discharge of district duties. The gradual alteration of the administrative system, since the time when every civil post in the country was filled by the Civil Service, has been already referred to. The offices of pay, audit, and account, the departments of education and the post-office, have been gradually surrendered, in whole or part; and the general tendency for some years has been to organise special services for each branch of the administration, filled up through all grades each by its own staff. What seems now to be needed is a more complete development of this practice. It is not that these special posts are not as well filled by civilians as by other persons: on the contrary, the former are beyond doubt, collectively, the ablest body of officials in the country. But a man may occupy an office of this class for years, without coming in contact with the natives of the country except in the most superficial way, or in any sense qualifying for a district appointment. When, therefore, a civilian, however able he may be, is transferred from a post in the custom-house or the post-office to a collectorate or judgeship, merely because he is held to be entitled to an increase of pay, the change may in some cases amount to a substantial denial of justice to the people over whose affairs or courts he is appointed to preside, since he might possibly be almost wholly ignorant of the language in which the proceedings are conducted, to say nothing of his inexperience in the special

duties to be performed. The conclusion seems therefore warranted, either that these special appointments should be filled up from outside the Civil Service, or that civilians, if appointed to them, should remain permanently attached to them, and be held to be ineligible for transfer to the general revenue and judicial lines of the administration.

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THE ARMY.

CHAPTER XIII.

RISE AND DEVELOPMENT OF THE INDIAN ARMY.

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Company's forces first raised in Madras.

THE first establishment of the Company's Indian Army may be considered to date from the year 1748, when a small body of Sepoys was raised at Madras, after the example set by the French, for the defence of that settlement, during the course of the war which had broken out four years previously between France and England. At the same time a small European force was raised, formed of such sailors as could be spared from the ships on the coast, and of men smuggled on board the Company's vessels in England by the crimps. An officer, Major Lawrence, was appointed by a commission from the Company to command their forces in India.

Hostilities between the English and French were terminated in the following year (1749), on the receipt of news of the Treaty of Aix-la-Chapelle; but, about the same time, the settlements of both nations began to take an active part in the politics of the peninsula, and the engagements into which the English entered with the parties whose cause they supported, led to a rapid increase of the Madras native army, stimulated further by the outbreak of the Seven Years' War in 1756.

During this time, Calcutta remained a purely com-

mercial settlement, and the military force with which Clive retook that place in 1757 from the Nawab of Bengal, and won the Battle of Plassey, was principally composed of Madras troops, native and European, with part of a royal regiment of foot. On the English becoming virtual masters of Bengal, Clive proceeded to raise a Sepoy force after the Madras pattern, commanded by English officers, and supplemented by a force of local European infantry and artillery. The complications which soon followed in Bengal politics, arising out of the deposition of successive Nawabs by their new masters, and the efforts of the party of the Emperor to recover that country, led to a rapid augmentation of the Bengal Army, which, in 1772, consisted of 21 native battalions, 3 battalions of Europeans, and 4 companies of artillery. The native battalions were about 800 strong, and were commanded each by a captain, with a few subalterns attached; the European battalions and the artillery companies were more fully officered, but were usually very weak in men. In all, there was a nominal strength of about 3,500 Europeans and 24,000 natives, with more than 600 officers. The army was divided into seven brigades, the battalions of which remained always together. Each brigade was commanded by a field-officer, the whole army by a general officer commissioned by the Company, a charter of 1753 vesting them with authority to raise troops and appoint officers. It was with an army so constituted that the campaigns were fought which terminated in the final subjugation of Behar, and placed the Emperor and Nawab-Vizier of Oudh at the mercy of Clive, on his second return to India in 1765. The Bengal Army had previously supplied a considerable detachment to the east coast, which afforded material aid in the struggle between the French and English in the South of India, ending in the final overthrow of the former, and the capture of Pondicherry, in 1761.

With the grant of the dewanee or treasurership of

Bengal, and the fall of the French power in India, all contests for the possession of that province ceased; but the English almost immediately afterwards entered into more extensive engagements. In 1773 their troops occupied Allahabad, in view to hold that place on behalf of the Emperor against the Mahrattas; in 1774 they undertook the defence of the Nawab of Oudh's dominions, and their garrisons were moved up to Cawnpore and Futtehghur; and in 1778 the Bengal Government joined in the operations then being undertaken from Bombay against the Mahrattas, and a Bengal column was despatched across India to aid the western presidency. These measures involved a considerable augmentation to the Bengal Army, which in 1786, at the time when Lord Cornwallis assumed charge of the government, consisted of 36 battalions of Sepoys, which had been formed into 18 regiments of 2 battalions each, and 6 weak battalions of Europeans; the whole organised in 6 brigades. The latter battalions were strongly officered; the native battalions were commanded by a captain, with a subaltern to each company. The organisation followed, up to this time, had thus been of the kind now popularly known as the 'irregular' system, in contradistinction to that based on the English regimental plan, the promotion of the officers running in one list for the whole army, from which they were posted to the various battalions. In all matters connected with pay, equipment, and the audit of accounts, the army administration partook of the general laxity and disorder which up to that time had pervaded every branch of the Company's Government in India, the major part of the officers' emoluments being derived from irregular perquisites; while, as to the supposed superior morale and discipline of the early Company's army, the history of those days records a succession of mutinies, in which the black and white troops were alternately employed to coerce each other. The latter were composed of the scouring of almost every European nation, kid-

napped or wheedled on board-ship by crimps; for the Company's recruiting depot was not established until 1781. The class from which the Sepoys were obtained was familiar with the scenes of turbulent violence which at that time were being enacted at every court in India. These conditions were quite incompatible with the formation of a well-disciplined or well-organised army, such as has been sometimes represented to have existed at this time. Discipline and morality were the products of a later date. The redeeming feature of the troops of all classes was the gallantry and endurance exhibited in the numerous campaigns and protracted expeditions on which they were engaged.

Development of Madras Army.

While the Bengal Army was thus in course of gradual development, the Madras Army also underwent a rapid augmentation. The overthrow of the French power, in 1761, left it indeed for a time without a rival; but the Madras Government had now undertaken the defence of the Carnatic on behalf of its ruler, whom it was rapidly supplanting from all but the nominal sovereignty, and the engagement involved the maintenance of a considerable garrison. In the year 1772 the Madras Army contained about 3,000 European infantry and 16,000 Sepoys, with a staff of more than 600 officers, the greater part of the cost being defrayed by the Nawab of the Carnatic. This force was shortly afterwards further augmented in consequence of the war with the Mahrattas and with Hyder Ali. The first contest with the latter, as is well known, involved a struggle for the very existence of the English settlement, Hyder extorting a peace (in 1769) from the Madras Government under the walls of Fort St. George; in the second war with him and his son Tippoo, which terminated in 1784, neither side manifested any decided superiority.

Bombay Army.

The Bombay Presidency during this period, and for many years afterwards, comprised no territory on the mainland of India. But a military force was maintained

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for its protection, which was considerably developed during the Mahratta wars. In 1772 it consisted of about 2,500 Europeans and 3,500 Sepoys, with nearly 200 officers. The expense of this army, as of the Bombay civil establishments, then and afterwards, was defrayed from the revenues of Bengal, or by the produce of loans.

In 1773, when the first Governor-General was appointed, under the Act passed in that year, and the Crown interposed to nominate the members of the Government, the Company's army consisted nominally of about 9,000 Europeans and 45,000 natives.

Royal troops in India.

The first regiment of the British Army sent to India was the 39th Foot, which arrived at Madras in the year 1754. This regiment formed part of the force which went with Clive to the relief of Calcutta in 1756, and it was present at the Battle of Plassey in the following year. In 1758, it was nominally sent home, but in effect was broken up, the men being invited to volunteer into the local force, and the officers offered commissions in the Company's army. The English garrison in Bengal then consisted for a time wholly of the Company's forces. Madras remained without royal troops until 1758, when, in pursuance of the elder Pitt's vigorous plans for pressing the war against the French in every quarter of the globe, a newly-raised regiment of the line, the 79th, was sent out, followed by the 84th, commanded by Lieutenant-Colonel Eyre Coote, and the 96th. In 1759, Coote's regiment was transferred to Bengal, and he was appointed by the Company Commander-in-Chief of their forces in that presidency. On the peace of 1763 the British line was again reduced to 70 regiments, and India remained without any Royal troops until 1779, when the 71st [then numbered 73rd] Foot was raised and despatched to Madras. Four other new regiments followed, to aid in the war against Hyder Ali.

Lord Cornwallis, who was appointed the first Governor-General in India, after the passing of the Act of

1784, which gave that personage authority over the three presidencies, was also appointed Commander-in-Chief, and was thus vested with supreme authority over both civil and military affairs throughout India. Up to this time it had been usual to confer a step of local brevet rank on all lieutenant-colonels of the royal service, an arrangement which naturally caused great dissatisfaction among the Company's officers, whose own commissions were moreover often not recognised by the former as giving valid rank. The high authority conferred by the rank and military reputation of Lord Cornwallis, enabled him to procure the repeal of a regulation which was repugnant to his sense of justice. Through his representations the local brevet promotions were withdrawn in 1788, and brevet commissions in the royal service were granted by him as Commander-in-Chief to all the Company's officers, with corresponding dates to those of their substantive ones. This arrangement was continued until the abolition of the Company's government in 1858.

Gradual augmentation of native armies.

From 1772 until 1796, the strength of the Indian Army underwent a gradual increase, occasioned by the Mahratta war of 1778, and that in the Carnatic with Hyder Ali and Tippoo. These wars were, however, undertaken rather for defensive than aggressive purposes; and until the accession of Lord Mornington to the government, the policy of the English, although at times marked by great oscillation of purpose, was on the whole based on the principle of recognising the political equality with themselves of the principal native states, and maintaining the balance of power throughout India. Lord Cornwallis, indeed, when forced into hostilities with Tippoo, the ruler of Mysore, displayed a degree of decision and vigour at that time quite unusual in the conduct of the English military operations. The burden of that war, which ended in the complete humiliation of Tippoo, and the annexation of a large part of his territory, was borne principally by the Madras and Bombay Armies, which

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received the largest share of the augmentation rendered necessary of the aggregate military establishment.

At the commencement of Lord Cornwallis's government, the establishment of royal troops consisted of one regiment of dragoons and five battalions of foot. In 1788, four regiments of the line were raised for service in India, and thus brought up the complement to nine battalions, which remained unaltered until 1797. Of these nine battalions, only one was stationed in Bengal; two belonged to the Bombay Presidency, the remaining six, with the regiment of dragoons, to Madras. In the year 1794 the total strength of the Indian armies, including royal troops, was 70,000, of which 13,500 were Europeans. The Madras and Bengal establishments of native troops were each about 24,000 strong, the Bombay establishment about 9,000.

Reorganisation of 1796.

In 1796, the organisation of the Indian Army was entirely recast. Heretofore, the officers belonging to the establishment of each presidency had been borne on one seniority list, from which they had been distributed among the different regiments; and the proportion of junior to senior grades was exceedingly unfavourable for promotion, there being about eight subalterns to every captain. They were now divided into separate cadres, one for each native regiment of two battalions, to which henceforward the respective officers were permanently attached, their promotion up to the rank of major running in the order of regimental seniority. The lieutenant-colonels and colonels remained on separate lists for each branch of the service, to which the regimental majors were promoted in order of seniority, on succession to vacancies. The establishment of each regiment was fixed at 1 colonel, 2 lieutenant-colonels, 2 majors, 8 captains, 22 lieutenants, and 10 ensigns, and the result was a great advancement in rank throughout the army. This system of promotion was maintained until the reorganisation of 1861. The regiments of artillery and engineers were at

the same time organised on a similar footing to that of the infantry. An establishment of generals was also formed for the Company's army, the officers of which, owing to the power previously conferred on the Company to grant generals' commissions having been withdrawn, were not at this time eligible for promotion beyond the rank of colonel. It was also provided that a specified number of the divisional commands should be held by major-generals of the royal army. These were fixed at two for Bengal, and one each for Madras and Bombay; and until lately these, with a limited number of brigade commands, were the only appointments on the staff of the Indian army which could be held by officers of the royal service.

The year 1796 was further marked by the introduction of furlough regulations, which entitled officers to visit England without resigning the army, and also to quit India on sick leave, retaining their Indian allowances and appointments during absence. The privileges conferred by these regulations were, however, partly withdrawn in 1854, and they were still further curtailed, virtually, by the operation of the amalgamation measure of 1861. They have been lately restored with still more favourable conditions by the furlough rules of 1868.

Subsequent increase of forces.

The Marquis Wellesley arrived in India in 1798, and immediately entered on a new line of policy, the object of which was to sweep away the appearance of equality of power between the English and the principal native states, and to establish the undisputed supremacy of the former throughout the country. The era of war and conquest which marked his tenure of office, and resulted in the advance of the British cantonments beyond Delhi in the north, and over the whole of the Deccan and the Mahratta territories, involved of course a large increase to the army. The Bengal infantry was raised from 28*

* The number of battalions had been reduced in 1796 from 36 to 24, and again raised in 1797 to 28 battalions.

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to 54 battalions, that of Madras from 30 to 50 battalions, and that of Bombay from 12 to 18 battalions. A considerable augmentation was also made to the native cavalry and the Company's artillery of all kinds. The British troops in India were also largely increased; but the Company's European infantry, which had always been far below its nominal strength, was reduced to one regiment per presidency.

Indian Army in 1808.

In 1808, after the great Mahratta war had been finally brought to an end, and the military forces reduced to a permanent peace-footing, the Indian establishment was constituted as follows:—

	British Troops		Company's Troops			
	Regiments, Cavalry	Battalions, Infantry	Battalions, European Infantry	Battalions, Artillery	Regiments, Native Cavalry	Battalions, Native Infantry
Bengal . .	2	5	1	3	8	54
Madras . .	2	8	1	2	8	46
Bombay .	—	7	1	1	—	18
Total . .	4	20	3	6	16	118

The strength of the three armies being, in round numbers—

	Europeans	Natives	Total
Bengal . . .	7,000	57,000	64,000
Madras . . .	11,000	53,000	64,000
Bombay . . .	6,500	20,000	26,500
Total . . .	24,500	130,000	154,500

At this period, it will be noticed, the Bengal and Madras armies were nearly of equal strength, but the latter had the larger proportion of European troops. The cavalry and artillery were on a small scale in proportion to the rest of the army; but this was in accordance with the organisation in force at that time for the British Army at home.

In 1823 the two-battalion regiments of native infantry were divided into regiments of one battalion each. The

officers of a regiment under the new organisation consisted of— CHAP. XIII.

	1 Colonel
	1 Lieutenant-Colonel
	1 Major
	5 Captains
	10 Lieutenants
	5 Ensigns
Total	23

Further development.

The period from 1805 to 1827 was marked by several important wars, and considerable annexations of territory. The war of 1817–18, conducted by the Marquis of Hastings—which led to the dethronement of the Peishwa and further contraction of the other Mahratta states, and the formation of the Bombay Presidency as one of the great provinces of India—as well as the first Burmese war of 1825, involved some considerable additions being made to the army, principally to the Bengal and Bombay establishments. In 1843 a second European regiment was added to the Company's army at each presidency, and a third was added in 1854. The artillery also underwent considerable augmentation. The force of British regiments remained almost unchanged, but, in consequence of the large additions made to the territories occupied by the Bengal troops, a gradual transfer took place of line battalions from the Madras and Bombay establishments to that of Bengal. In 1856, the year preceding the mutiny, the establishment of regular forces in India was as follows:—

Establishment in 1856.

	Bengal	Madras	Bombay	Total
Regiments, British Cavalry	2	1	1	4
Battalions, British Infantry	15	3	4	22
Company's European Infantry	3	3	3	9
Battalions, Artillery (European and Native)	12	7	5	24
Battalions, Native Infantry	74	52	29	155
Regiments, Native Cavalry	10	8	3	21

Additional native

There were also in Bengal, besides the 74 battalions of native infantry, a few additional ones which had been

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raised of late years, and which, although not numbered, took their place as a part of the regular army.

infantry regiments.

The native battalions were 1,100 strong in Bengal, and 900 in Madras and Bombay. The British line battalions had a nominal strength of 1,000 rank and file.

Irregular cavalry.

The cavalry of the line, it will be observed, bore a very small proportion to the infantry; and the disproportion was the more remarkable, when it is remembered that the plains of India are particularly adapted for the use of that arm. But a force of 18 regiments of what was termed 'irregular' cavalry, was attached to the Bengal Army, in addition to the 10 regular regiments. The force thus styled was drilled and trained on the same method as the cavalry of the line, and was subject to the same discipline and to the Articles of War. The points of contrast were, that their officers were selected from other regiments, and that the men were engaged under different conditions (as to clothing, arms, and the supply of horses) from those which governed the rest of the army. The Bombay establishment also comprised several regiments of the same kind.

Local troops.

In addition to the regular army, various local regiments had been raised from time to time in Assam, Arracan, and other places which were exceptionally unhealthy for unacclimatised troops; while, on the annexation of the Punjab, a strong local force of eleven regiments was organised for the defence of the frontier, recruited principally from the mountain races of the border, and placed under the orders of the provincial government. The formation of these local forces, as the empire was increased, was deemed preferable to an expansion of the regular army, which in course of time had lost something of the mobility which distinguished the native troops first raised by the English, and was recommended also on grounds of state policy. It was felt that the regular army of, at any rate, the Bengal Presidency, was already too large a body, raised as it was from one re-

cruiting field, and united as were its members by common interests. Accordingly, in 1854, on the annexation of Nagpoor, a local force was raised on the Punjab plan; and again, on the annexation of Oudh, in 1856, another considerable body was formed, to aid the regular army in garrisoning those provinces. The Oudh local force was the last addition made to the Indian armies before the outbreak of 1857. At that time the total military force in the pay of the Company was about 280,000 men, of whom about 45,000 were Europeans. Of the latter, rather more than half belonged to the royal army.

Contingents.

Further, besides the Company's troops of all kinds, regular, irregular, and local, a considerable supplementary native force had gradually arisen, which was practically at the disposal of the British Government, in the various contingents of native states. The first, as well as the largest and most important of the kind, was the Hyderabad or Nizam's Contingent, consisting of two strong brigades of infantry and cavalry, with a proportion of artillery. This force was originally established in order to strengthen the position of our ally the Nizam in his own dominions, and with respect to his neighbours, and also in order to give the British Government the aid which would be available from the alliance, were a portion of his army rendered efficient by discipline. The contingent was commanded by European officers of the Indian Army, and was paid for by the Nizam, the payment eventually taking the form of an assignment of territory in perpetuity. This example was in course of time followed in other places, and almost every native state had in 1857 its contingent based on the same plan, and paid for in the same or a similar way. These troops were not under the orders of the Commander-in-Chief, but were under the direction of the Foreign (or diplomatic) Department of the Government of India, the officer in command receiving his instructions through the Resi-

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dent at the native court in question. The aggregate strength of these contingents was about 35,000 men.

Officering of irregular troops.

All the battalions and regiments additional to the regular army—extra regiments of the line, irregular cavalry, local troops, and contingents—had each a complement of three European officers, selected and specially appointed to them from the regular regiments. To supply these officers, the effective strength of the latter, which was nominally two officers per troop and company, was correspondingly reduced; and as appointment to the irregular service in every branch carried with it an increase of pay and higher relative position, it was eagerly sought after. Thus, from an early date, the system of officering the irregular service tended to lower the efficiency and morale of the regular army. But this was a small part of the evil. The whole of the extensive army staff, and the military departments—commissariat, pay, stud, &c.—were all supplied, in the same way, by officers borne on the effective strength of their regiments; and the drain on the latter was still further increased by the formation of the mixed commissions of civil and military officers, for the administration of the different non-regulation provinces, as they fell under British power. The employment of military officers in diplomatic duties, and as judges and magistrates (under the titles of commissioner, deputy-commissioner, &c.), dates from the earliest period of British rule; but the great drain in this direction was caused by the annexations made by Lord Dalhousie of the Punjab, Nagpoor, and Oudh; when, simultaneously with the formation of large new local forces, a great number of officers were appointed to the civil administration of those provinces. The Court of Directors made a slight addition to the army to meet this demand, a sixth captain being added to each regiment of cavalry and infantry in 1843, and a seventh captain and eleventh lieutenant in 1854; but these augmentations were but a slight alleviation of the evil, and at the outbreak of the

Withdrawal of officers for civil duties.

mutiny, out of the nominal strength of twenty-five officers there was scarcely a regiment in the country with a dozen officers attached to it. The greater number of the Bengal regiments had much less, and the majority of these officers were usually ensigns and junior lieutenants, who had not yet qualified for staff employ.

Its ill effects.

But the paucity of officers was the smallest part of the evil, for a dozen officers under a good system should have been an ample complement for a native battalion. The mischief lay in the unhealthy feeling of dissatisfaction with which regimental duty came to be regarded, as the last course, only to be undergone by the minority who could get nothing better. If it had been a question in each case of making a definitive choice between the irregular and regular service, or between a civil and a military career, no doubt many aspiring and able soldiers would have elected to remain with their proper regiments, foregoing present advantages for the chances of future distinction. But, as matters were arranged, a man sacrificed nothing of his regimental position by accepting staff or civil employ. He rejoined his battalion in his proper standing if it were ordered on active service, and in most cases he reverted to it on promotion to field officer, when as a matter of course he took the command, no amount of absence on civil duty being deemed to make him ineligible for that position. Under these circumstances, when every consideration tended to attract an officer from his regiment, it must have been almost impossible that any man should voluntarily elect to remain permanently on regimental duty; and, unless Indian patronage was impurely bestowed—an assumption quite without warrant —it must necessarily have been the case that, ordinarily, the abler men of the army had escaped from that employment.

Thus regimental duty had come to be regarded, either as what must be accepted in default of good-luck or qualification, or as a mere stepping-stone to

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preferment in some other direction. The effect of this prevailing sentiment on the tone of the native army was only too apparent during its latter days. It was impossible but that this degeneracy of feeling should be reflected by the men; and the paucity of officers, from the manner in which it came about, was unquestionably one of the many causes which led up to the great mutiny.

Other defects of system.

Other causes may be mentioned, which combined especially to impair the tone and discipline of the army. Two field-officers were nominally attached to each regiment, a major and a lieutenant-colonel, but there was not, on the average, more than one available for duty. Now the majors, as has already been explained, belonged to their respective regiments, from which they could not be removed; while the lieutenant-colonels were borne on one general list for each branch of the service, infantry and cavalry. In order therefore that the field-officers should be distributed equally, it followed that the lieutenant-colonels had to be posted to those regiments of which the majors were absent on leave or staff employ; and they were always liable to transfer, on the return of the major, or the promotion of an effective captain to that rank, to some other regiment in want of a field-officer. It need hardly be said that a system which thus made a convenience of the commanding-officers, was subversive of all sense of individuality and responsibility on their part. To this evil must be added the excessive centralisation of the army administration, which deprived commanding-officers of all authority; this, combined with the system of promotion latterly maintained, under which all the non-commissioned and native commissioned grades were filled up solely by seniority, and the permission accorded to the soldiery to petition the Commander-in-Chief privately touching any supposed regimental supersession or other grievance, rendered the commanding-officer a perfect cypher in his regiment. These evils had existed for many

years, and were perceived and fruitlessly deplored by all who thought about the matter. They reached a culminating-point during the administration of Sir Charles Napier, after which there remained the mere appearance of regimental discipline throughout the Bengal army.

Mutiny of 1857.

During the mutiny, it need hardly be said, only a remnant of the Bengal army remained faithful. All the contingents placed in contact with it joined, sooner or later, in the rebellion. The Punjab local force—which formed a separate army, recruited from a different country, and which had never been brought into contact with the regular army—came eagerly to the aid of the small British force in the Punjab, and took a highly prominent and distinguished share in the suppression of the rebellion. The Bombay army generally escaped the contamination. Of the Madras army one regiment only of cavalry showed a mutinous spirit, and was disbanded.

Subsequent increase of European,

Since the mutiny, the European force has been considerably increased. The nine local European infantry regiments have been transferred to the line, and the total number of battalions stationed in the country has been increased from twenty-two to fifty-two; the British cavalry has been increased from four to eleven regiments. The artillery has undergone a large augmentation, European batteries having been substituted for native, and the local regiments have been fused with the Royal Artillery, involving an augmentation of the latter of fourteen brigades, containing from four to seven batteries each. But the establishment of each battalion and cavalry regiment is smaller than formerly, and the total number of Europeans serving in India is now only about sixteen thousand in excess of the garrison of 1857.*

* The establishment of European troops in India, stated above, has lately [1870] undergone some reduction.

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and reduction of native troops.

On the other hand, the native army has been largely reduced. A small Bengal army has been reorganised, consisting partly of the remnant which remained faithful during the mutiny, and partly of new levies raised at that time. The Madras army has been reduced by twelve regiments of infantry and four of cavalry. A considerable reduction has also been made in the strength of the Bombay army. The contingents and local regiments which had mutinied have not been restored. The Indian army now consists of the following elements:—

Present strength of native army.

	Battalions Infantry	Regiments Cavalry
Bengal . . .	49	19
Madras . . .	40	4
Bombay . . .	30	7
Punjab . . .	12	6
Hyderabad Contingent .	6	4
Total .	137	40

There are also two regiments of local horse and five of local foot in Central India, under the Political Department. Of this force, the Punjab army, which has five batteries of native artillery attached to it, is not under the orders of the Commander-in-Chief. The Hyderabad Contingent is also under a general officer who receives his orders from the Government of India. Cavalry regiments have a strength of 500 sabres—the infantry about 700 of all ranks. The total force is therefore under 120,000, or about one-half the strength of 1857, and less than it has been at any date since the time of Lord Cornwallis.

This great reduction has only been possible by the transfer to a newly-organised police of a large part of the duties formerly undertaken by the army, especially the escort of treasure, and the guard of the district treasuries; and there is probably no country in the world in which the military force bears so small a proportion to the population, and where, quite irrespective of

its fitness for offensive warfare, even the large cities are so slightly guarded. City for city, the military garrisons of India are smaller than even those of England. The Indian army, in fact, must be regarded at present as merely a peace cadre or depot, so organised as to be readily capable of augmentation. It is barely able to supply the ordinary demands of peace-time; and it is no exaggeration to say that, in order to furnish a brigade for foreign service, a strain has to be put on the army which is felt from one end of the country to the other.

Reorganisation of 1861.

The Indian army now consists wholly of natives, the local European troops having been transferred to the British service. It has also undergone a complete reorganisation, which took place in 1861, and is now formed on what is commonly styled the 'irregular' system; a wholly inappropriate term, since in fact the system is in every respect much more uniform than that which it replaced. Formerly the regiments were of two kinds—the irregular, commanded by three selected officers; the regular, officered by a variable number of persons who could not succeed in obtaining, or were not qualified to obtain, some better employment, and commanded frequently by a lieutenant-colonel who was exercising the command merely on sufferance, until, on the return of the major to regimental duty, he should be required to give way. Under the new system, every regiment has an establishment of seven effective officers, who are specially appointed to it; who are not liable to displacement; and whose places are permanently filled up if they quit it to obtain other employment. The vicious system of promotion by seniority in the native ranks, in itself sufficient to destroy the discipline of any army, has been abolished, and by the new Articles of War commanding-officers are vested with considerable powers, both for reward and punishment.

At the same time, the system which regulated the

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promotion of the European officers by regimental seniority, and which had lasted from 1796 till 1861, was swept away. The new arrangements are not yet quite completed; but eventually all the old regimental cadres will disappear, and the officers of the Indian army will belong to an unattached list, termed the Staff Corps, in which promotion is made by length of service, and from which officers will be appointed to the different military and civil situations which have to be filled throughout the country. The conditions of the Indian army under this new organisation, and the suitability of the Staff Corps to meet its requirements, will be discussed in the two following chapters.

CHAPTER XIV.

THE INDIAN STAFF CORPS.

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Staff Corps intended to supply all departments of Indian service,

THE three Indian Staff Corps, as has been explained in the foregoing chapter, are intended to furnish a body of officers for service in India, upon all the various duties, military and civil, which have heretofore been performed by the officers of the different regiments of the old Indian army. Eventually, military employment in India, save on regimental duty with British troops, will only be obtainable by previously entering the Staff Corps.

except the staff.

One class of duties has, however, been excepted from this rule. Appointments on the general and brigade staff of the Indian armies, which formerly were entirely closed to the British army (excepting in the case of general officers), are now shared by them with officers of the Indian army.

Organisation of Staff Corps

In the first instance the Staff Corps were of course filled mainly by officers of the old Indian armies, who were transferred to the former, while retaining the appointments and offices which they were respectively holding at the time of the reorganisation. In their case, indeed, the change of service was merely nominal, except in so far as they gained certain advantages from the favourable rate of promotion established in the Staff Corps. But ultimately, as the supply of officers from the old Indian army becomes exhausted, the only road to admission to the Staff Corps will be through the royal regiments serving in India. An officer of one of those regiments, desirous of entering the Indian service in

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any capacity, will first be required to pass an examination in the native languages, as well as the departmental test of that branch which he is a candidate for. On the occurrence of a vacancy, he will be transferred to the Staff Corps, and, if an ensign, will be promoted at once to the rank of lieutenant, his place in his regiment being filled up. After twelve years' total service in the army, of which at least four years must have been passed in the Staff Corps, he is promoted to captain; after twenty years to major; after twenty-six to lieutenant colonel; after thirty-one to brevet-colonel; and after thirty-eight years' service he will be entitled to return to England on colonel's allowance of about 1,100*l.* a-year, retaining his place in the army. He will be promoted to general officer according to seniority, in succession to vacancies in one list to be formed for the whole British army, excluding the artillery and engineers, for which corps separate establishments of general officers have been provided.

Title used in peculiar sense.

It will be clear from the foregoing account that the designation, Staff Corps, applied to this body is so far inappropriate, that it is used in an entirely different sense from that in which it is employed in every other country and army. The officers of the so-called Indian Staff Corps will consist mainly of two classes—one employed on regimental duty with the native army, the other on various civil duties. Only a small fraction will be engaged on the staff, properly so called; while staff employment is the only kind of employment which can be filled without joining the Staff Corps.

Separation of Staff Corps into three bodies needless.

Further, it will be apparent that nothing whatever is gained by having three separate instead of one Staff Corps for India. Each of the three corps is organised on precisely the same footing; the conditions of any member are not one whit altered by transfer from one corps to another; and the interests of the different members with respect to regimental promotion do not in any way

conflict with each other. The division moreover is purely nominal; an officer of the Madras or Bombay Staff Corps may serve with the Bengal army, and as a matter of fact the members of the three corps are mixed up together in various services and departments all over the country. The formation of three Staff Corps, instead of one, was therefore plainly unnecessary. The idea which led to the measure was no doubt derived from the previous organisation of the Indian forces in three separate armies; but on consideration it becomes plain that the new system rendered this division not only unnecessary, but absolutely inconvenient, and that numerous anomalies must arise if it be endeavoured to maintain the three corps distinct. This has been pointed out in an earlier part of the present work,* where it has been shown that the abolition of three separate military establishments in India is recommended by powerful considerations of military policy and administrative convenience.

Merits of Staff Corps system.

These arguments point to the fusion of the three Indian Staff Corps into one. But a further examination of the subject will, I believe, show convincingly, not only that the Staff Corps system is not worth preserving, but that it is so essentially defective as, sooner or later, to render a radical reform an imperative necessity. Before proceeding to unfold this opinion, it will however be proper to point out those advantages which the Staff Corps system undoubtedly possesses over that which it replaced.

Its elasticity.

In the first place, then, the elasticity of that system is peculiarly suitable for an administration like that of India, the wants of which are subject to constant variation. Any establishment of fixed strength will, in that country, always be liable to be constantly either short or in excess of the needful complement; but the Staff Corps are of no fixed strength. They are, in effect, an unattached list of indefinite size, and, on a new post being created, any

* Book II., Chapter II.

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eligible officer of the British army can fill it by becoming a member of one of those corps. Under the old system the only source of supply was the fixed establishment of the native regiments, and these were sacrificed to supply the needs of the other departments.

Further, in a service like that of India, the wants of which are constantly expanding or contracting, the system of Staff Corps promotion, which is regulated by length of service, gets over the difficulty that would otherwise have been felt, in regulating the redistribution of the different grades in conformity with the varying strength of the aggregate service.

Improved position of regimental officers.

But the most important advantage gained, is that regimental duty has been rescued from the degradation into which it had fallen, from the invidious preference formerly given to every other description of employment. Not only were the numerous irregular forces of contingents and local troops supplied with 'selected' officers on higher pay, but every man taken away from his regiment to fill any other situation whatever, received an additional salary, and in virtue of the change was deemed to occupy a better position than the brother officers whom he left behind. The Staff Corps system has broken down this distinction, necessarily destructive of proper professional feeling. Not only are the regimental officers much better paid than before—a change which however is not a necessary feature of the Staff Corps—but they, equally with all other classes of officials, are selected for the posts they fill in the native army. The latter no longer acts as a contemned feeder to the rest of the state appointments, and all invidious comparisons between the two lines of employment are removed. Service with the native army now offers a distinct and definite career, instead of being a mere temporary resting-place, until something better could be reached.

Staff Corps likely to prove attractive;

These are undoubted improvements. Further, before proceeding to notice what appears to be defective in the

new system, it may be useful to add a few words regarding the opinion sometimes advanced, that the Staff Corps are likely to prove a failure from being insufficiently attractive. As regards the officers of the old Indian army, the slightest examination of the facts should be sufficient to dispel this delusion. The truth is, the new Staff Corps came just in time to save that army from a state of stagnant promotion such as it had never before experienced, bad as that promotion often was; more than one man, for example, becoming a substantive field-officer, who but for the Staff Corps would be still a subaltern, while very many of the new lieutenant-colonels are still captains on their old regimental lists. The position of the large majority of the army has been vastly improved.

It is said, however, that although the Staff Corps may have benefited the Indian army, the officers of the British army are averse to joining it, as shown by the small number who have as yet done so. Whence it is inferred that so soon as the existing reserve afforded by the old Indian army shall be exhausted, a sufficiency of candidates will not be forthcoming to maintain the Staff Corps at their required strength. But those who make this objection are probably not aware that, up to the present time, officers of the British army have practically not been eligible for admission. The restriction has certainly been removed upon their employment in India in any capacity, which was maintained by the Court of Directors; but the Staff Corps of necessity cannot be filled up to their full eventual strength, so long as there is a sufficiency of officers on the cadres of the old Indian regiments available to make up the deficiency. Consequently, the comparatively few cases which have as yet occurred, of officers from the British service being admitted to the Staff Corps, are special and exceptional; they do not necessarily represent the number of applications for admission, and they offer no criterion as to

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affording satisfactory vehicle for admission to public service.

the probable result of throwing the Staff Corps freely open to the British army.

Further, it has to be noticed that the bulk of the officers now in the British army entered it without any special inclination towards Indian service. A large number of them would never have come to India but for the demand for a sudden augmentation of British troops occasioned by the mutiny; and to the majority of these permanent service in India would probably be unattractive. Moreover they have most of them made investments in the purchase of promotion which they would be averse to abandon. But an entirely new class of officers is now entering the army, under entirely novel conditions. Haileybury, Addiscombe, and direct appointments to the Indian army have been abolished, but the sons of Indian officials of all classes have not the less to be provided for; and the result is merely that the stream of preferment has been diverted into another channel, and the young men whose relatives and interests are in India, and who under the old state of things would have looked to be appointed to the Indian service, now enter the British army, in view to being eventually transferred to these Staff Corps. This is a change which no one, save those who have lost their patronage, will regret. The Court of Directors was probably the only body in the state in the possession of patronage, which bestowed no part of that patronage on public grounds, but left it at the unfettered disposal of individual members; and, except in the case of the relatives who were brought up in the expectation of receiving appointments as a matter of course, the bestowal of these valuable gifts was too often attended with an excess of solicitation on the one hand, and condescension on the other, from undergoing and witnessing which the present rising generation is happily spared. Indian appointments were given, in those days, not necessarily to the children of those who had best served

the state, but of those who could best command interest of a peculiar and by no means elevated kind.* But Sandhurst is practically open, and a commission is to be got there on very inexpensive terms simply by industry and good conduct; while, after entering the army, the subsequent admission to the Indian service through the Staff Corps is a mere matter of routine. So far, therefore, from the abolition of the old system of patronage being a loss, the Indian service at large would appear in truth to have been entirely gainers. It is open now to every man to provide respectably for his sons, without stooping to ask favours. The same career is now also for the first time opened to the British army generally; and it will certainly be embraced by many out of that large class of officers, who enter the line without money to purchase promotion, and whom poverty too often forced to quit its ranks at an early stage of their service.

There appears, therefore, not to be the smallest need for apprehension lest the Staff Corps should not prove sufficiently attractive. The same class of men will enter the Indian service as heretofore, only they will enter it in a more independent and satisfactory way; and, judging from what has already taken place, it may be safely predicted that in a short time the junior ranks of every regiment serving in India will contain a large proportion of men who have joined it simply as a stepping-stone to an Indian career. And this career is a vastly better one than what was offered to the previous generation, owing to the greatly advanced rate of promotion allowed by the Staff Corps rules over what used to obtain in the old service, and to the much higher pay now attached to employment with the native army.

But when the matter is regarded from the side of

Defects of Staff Corps system.

* No amount of distinguished service sufficed to procure a seat in the Direction, which could only be reached by a tedious and, what to many men must have been, a most distasteful canvass, extending sometimes over many years.

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state interests, the new arrangements present a very different aspect, as will appear from the following considerations.

Distribution of officers of corps,

The employments which the members of the Staff Corps are intended to fill may be divided into four main classes or branches of the public service:—first, the regiments of the native army: secondly (in part), the staff departments of the army in India—namely, those of the Adjutant-General, Quartermaster-General, and Judge-Advocate-General, with the brigade and divisional staff [some of these posts will be also held by the regimental officers of the British army]: thirdly, the civil departments of the army—Pay, Commissariat, Stud, Clothing, &c.: fourthly, the purely civil branches of the Indian public service, comprising the mixed civil and military administrations of the non-regulation provinces, consisting of commissioners, deputy-commissioners, and others who fulfil the duties corresponding with those of judges and magistrates in the so-called regulation provinces; appointments in the civil secretariat; diplomatic appointments, as those of residents and their agents at native courts; and the great departments of police and public works. Now in this respect, indeed, no change has been introduced, for these are precisely the duties which have always been performed by the officers of the old Indian army. A portion only of the whole establishment was engaged on regimental duty; the rest were distributed among these various occupations. But the extent to which the system is now about to be carried forms quite a novel experiment, and entirely alters those features of the Indian military system. Under the old state of things, seven officers per regiment of twenty-five, that is, about one in four, were allowed to be permanently detached from regimental duty; and even these absentees were not all removed from military duty, since they included those attached to the army staff, as well as those serving with the numerous local and irregular

upon duties unconnected with army,

involves radical change from former system.

troops, and the latter formed a large proportion of the more fortunate section. This limit of seven was not always very strictly maintained, especially of late years, when a great pressure arose from the demands created by annexed provinces; moreover, the place of temporary absentees from staff and civil employ was always made good by drawing on the regimental supply, so that practically the absentees exceeded the proportion above stated; but probably, on the whole, about three-fourths of the army were employed on military duty of one kind or another. This ratio has, however, now been entirely changed. On the one hand, the army has been largely reduced; the number of regiments has been diminished, and the complement of officers has been cut down from twelve or fourteen (the old effective average) to seven per regiment, so that the field of purely military duty has been greatly contracted. On the other hand, the demand for European officers in the various branches of the civil administration is constantly increasing, while the newly-created police department alone employs about two hundred. Thus the relative proportions of the civil and military appointments held by the army have been entirely altered.

The ultimate strength of the Indian Staff Corps, and its distribution under the four main classes of employments, are given in the following table; its actual strength at present is somewhat different, because the establishment of officers is at present in excess of its requirements, and all the officers of the old army have not joined the Staff Corps :—

I.—*Regimental Duty.*		
For 177 Regiments of Cavalry and Infantry, at 7 officers per regiment . . .	1,239	
Irregular and local troops . . .	23	
		1,262
II.—*Military Staff.*		
Military staff appointments actually held by officers of local army at present . .		182

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III.— *Civil Departments of the Army.*	195
IV.—*Civil Employ.*	
Employed in Political Department, Civil Department, Public Works, Survey, and Forest Departments, Police Department, &c.	1,066
	2,705

These figures bring out a sufficiently curious result. Out of a total strength of 2,700 military officers, less than half will be really employed in a military capacity; about two hundred will be attached to the civil branch of the army; nearly 1,100 will have no sort of connection with military business of any kind.

No analogy between new and former system.

Another important point has now to be noticed. In establishing this Staff Corps, the idea held in view was, no doubt, that of perpetuating the old system under which the class of military civilians was first formed. But in fact the conditions which then obtained have been entirely altered by this very measure, which involved a radical change of system. Formerly officers were, so to speak, merely lent from their regiments, which were considered to have the first claim on their services. But Staff Corps officers will belong to no regiment, and although holding military rank, will not, in virtue of their connection with the Staff Corps, have any military duties to perform. It is true that, even under the old system, a large proportion of those on civil employ were, in practice, permanently detached; but still the exceptions were numerous. Many appointments could not be held by regimental field-officers, and therefore a man on reaching that position usually returned to regimental duty; while the rule was almost invariably enforced of recalling all the officers belonging to it whenever a regiment was sent upon active service. Further, promotion in every branch of the army was determined solely by regimental seniority. In this way every officer, however employed, continued to be more or less identified with his regiment, and the uncertainty

Staff Corps officers will virtually quit the army.

attending his tenure of detached employment tended to keep up his connection with the army. The system was confessedly imperfect, and it worked very hardly for the less fortunate men, who were left behind in peace, but were liable to be superseded by the return of their more fortunate brethren in war-time; but it was a very beneficial arrangement for the latter, who reaped all the advantages of their position as military men, without undergoing the monotonous drudgery of regimental duty in peace-time. It was this rough-and-ready system which tended to cultivate the general handiness and manysidedness in which Indian officers excelled, and it produced the soldier-politicals who have conferred so much reputation on the Indian Army. And it was, no doubt, under the idea that this sort of practical training would be perpetuated by it, that the Staff Corps plan was hit upon. The constitution of that body, on its first formation, may have tended to countenance this conclusion. But its present appearance would entirely mislead as to its probable future condition. The Indian Army having suddenly collapsed, from mutiny and reductions, a large number of officers of mature experience and military training became available for other duties; and a great expansion of civil employments having occurred simultaneously, especially from the formation of the new police, it has so happened that the Staff Corps on its first institution, has been mainly filled by soldiers of considerable professional standing. But henceforward the candidate for the Staff Corps will finally leave his regiment to join it, usually as an ensign, and will perhaps never again be employed on military duty of any sort. Yet he will, nevertheless, be promoted in certain order through all the military grades, till finally he retires from the service as a general officer!

It may be said, however, that the Staff Corps is intended to contain men of every class, and that because an officer joins it to enter upon a civil appointment, he

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is not thereby disqualified from afterwards turning to military employ. Practically, however, the line of demarcation is impassable. The course of promotion in every branch of the service now runs almost wholly in departmental channels, and the tendency of things is to make the rule still stricter. The days have gone by when personal qualifications and interests rendered a man independent of special training. The only way nowadays of rising high in any branch of the service is to enter it young, and work up from the bottom; every department has now its special tests for appointment and promotion; and a man who has once established a footing and claim in one line cannot afford to give up his standing in it and make a fresh start in another. The more settled state of the country, and the apparent termination of our advance from one conquest or annexation to another, also tend to close the career for soldier-politicals. The lives of men like Malcolm or Nicholson, alternately commanding armies and ruling conquered territories, cannot be repeated. For good or evil, the patriarchal system of government is being everywhere succeeded by a more complex and refined system of administration; while, last but not least, military duty with the native army has been elevated into a distinct career, and supersession of the regimental officers in their own commands by ex-lawyers and tax-collectors will no longer be permitted. It appears certain, therefore, that those officers who henceforward enter the Staff Corps, in view to taking civil employment, will virtually quit the army; and that, although holding military rank, and continuing to receive military promotion, they will henceforth be soldiers only in name. In the course of time the officers on this extraordinary footing will constitute one-half of the whole Indian Army. A body so constituted will surely form a remarkable specimen of military organisation.

No compensating advantage

It may perhaps be supposed that there are some compensating advantages in this peculiar arrangement which

have yet to be stated. But none such are to be discovered. It may be said, indeed, that the Staff Corps system forms a convenient basis for regulating pay; but even this view disappears on examination. A specified rate of pay is indeed provided for each military grade in that corps; but the salaries in the Indian civil departments are consolidated sums, regulated solely by departmental standing without reference to military rank, so that in all these cases the Staff Corps rates are not brought into operation. They do not even affect the pensions of officers, which are determined solely by length of service; and although, since Staff Corps promotion is regulated in the same manner, it follows that certain rates of pension will be received by certain grades, the former are not dependent in any way on the latter.

for this misapplication of military rank,

The only possible argument which apparently could be advanced for maintaining this extraordinary system, would be that the bestowal of this military rank on civilians is valued by them, and constitutes an effective part of their remuneration, which if withdrawn would have to be made up by other considerations, in order to render the service sufficiently attractive. Upon this it seems obvious to remark that, were the fact really so, it would afford a decisive condemnation of the practice; for that to offer military rank as a bait to men, to induce them to accept office on lower emoluments than would otherwise be sufficient to attract them, is a prostitution of that distinction which ought at once to be stopped. But, in truth, there is no reason to suppose that any such attraction exists. On the contrary, the facts tend to show that the very reverse is the case. The local Table of Precedence places so low an estimate on military rank—a lieutenant-colonel, for instance, taking rank with a civilian of twelve, and a major with one of eight years' standing—that the military civilian would often find himself rated lower than his own subordinate, were it not that the rule of precedence has fallen into practical disuse. In the case of a

which is of no practical value.

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man who rises to high civil office, military rank is frequently a positive inconvenience; even a man like the late Sir Henry Lawrence would find it difficult to carry the awkward encumbrance of a regimental captain's commission with the government of a province.* In a country of military camps like India, where the duties of government are closely connected with the service of the army, the position of a governor would in every case be stronger were he divested of military rank.

As to the value of the appendage when carried home on retirement, there was a time, no doubt, when military rank in England had a considerable social value. But what with the honorary and relative rank now so freely bestowed on the non-combatant branches of the army; the establishment of an extensive commissioned militia; and the honorary promotions given to retired officers; this value has of late years been undergoing rapid depreciation. A still greater fall would occur were the Staff Corps scheme persisted in, under which England would in course of time abound with so-called colonels and generals, who had never so much as commanded a company. Military titles would then be held in about as much estimation as they were in America before the civil war.

Staff Corps system conflicts with that of British army.

Lastly, it has to be pointed out that the mode of conferring military rank, introduced by the Staff Corps rules, conflicts in a most embarrassing way with the system in force in the British army. Under that system, as all acquainted with it are aware, a lieutenant-colonel is eligible for promotion to colonel after five years' service, only if he has held certain qualifying appointments; otherwise he remains at least eight years (often an indefinite time) in the lower grade. But the Staff Corps

* Many persons will remember how much the late Sir Charles Napier, when Commander-in-Chief, resented the requisitions being made on him for the movement of troops in the Punjab, because the head of the Administration was a 'captain of artillery,' and how he chafed under the instructions received from the Government of India, because the secretary who signed them was a brevet-major.

lieutenant-colonel is secured his promotion under all circumstances in five years. Thus non-combatant officers are constantly superseding the combatant; and since the general officers of the whole British army are henceforward to be appointed by seniority from the amalgamated list, the real military officers will many of them be distanced in the race by the nominal ones. It seems impossible that the two systems can be maintained when it is once understood how they clash with each other.

To prevent misconception, it may be as well to explain here, that the foregoing criticism is directed rather to the perpetuation of the Staff Corps system, than to its first formation. The transfer of the Indian officers to a Staff Corps, as they stood after the mutiny, was a most liberal measure, and was at any rate a definitive way of reorganising that army; and although it is at least questionable whether it was the best, yet, as regards those officers, the change was little more than nominal. But as a system to be perpetuated, it appears open to the gravest objections; and when these are clearly apprehended, it is hardly possible that it can be persisted in.

Proposed change. Transfer to a civil list of officers on civil employ.

Nor is the reform that seems to be needed at all difficult or complicated. As regards the present class of officers in civil employ, indeed, to recast the system again would involve difficulties that it might be well to avoid. But in the case of future applicants for civil employ, a simple and sufficient plan would appear to consist in their removal altogether from the army, and transfer to the civil service of Government. And if the offer of such a transfer were made to the present members of that corps, it seems probable that the change would be gladly accepted by the majority, provided, of course, that the conditions of pensions and leave were made not less liberal than those they are now entitled to. The greater independence conferred by the position of a civilian would be with many a sufficient attraction.

It would remain to be considered whether such persons

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should be admitted to the covenanted Civil Service, or whether an additional and separate service should be formed to embrace them. The objections are apparent against the first plan, which would admit men, by a mode of selection more or less dependent on preference and patronage, to the same privileges with those who had won their place by open competition. As regards the other plan, I have endeavoured* elsewhere to show, that the time has now arrived for a revision of the crude classification which divides all Indian civil officials into 'covenanted' and 'uncovenanted.' Of the new official body which may now advantageously be formed, to include all the higher ranks of officials without the pale of the covenanted Civil Service, the military men transferred to civil employ would form an important element. The argument, founded on both necessity and convenience, for continuing to recruit the Indian public service to a large extent from the army, will also be found in another part† of this work.

and in civil departments of army.

As regards the next class of employments to be supplied from the Staff Corps—the civil departments of the army, these are in every other army filled by civilians, and it will probably be admitted that a special Staff Corps is at any rate not necessary on their account. While, therefore, the position of the existing members of those departments, who have been all transferred from the old Indian army, calls for no alteration, it appears very desirable that all future appointments to them should involve retirement from the military branch of the army. Relative rank might be given, should the superior emoluments offered be found insufficient inducement to procure competent men. But the bestowal of military rank for the performance of purely civil duties,—to which men will henceforward be permanently attached for the rest of their service, after they once quit the active branch of

* Chapter XI.

† Chapter X.—Military Civilians.

the army,—is incompatible with the use of that distinction in its original meaning, as the special attribute of a soldier. Military title would cease to denote a military man; it would merely denote an official serving the Indian Government in some capacity or other. Of all countries in the world, India is surely about the last where it would be desirable to introduce so novel an experiment.

Staff Corps not needed for supplying officers of purely military staff.

With respect to the purely military staff of the army, the case is different, but the machinery of a Staff Corps is by no means necessary for supplying this body. The system as now laid down provides, indeed, that only a part of the army staff shall belong to the Staff Corps; a part is to be supplied from the regiments of the British army, in the same way as is the staff of the army serving in other parts of the world. Now the French system of a separate Staff Corps, the members of which are entirely distinct from the regimental officers of the army, has been pronounced unsuitable for the British army generally, and there appears to be nothing in the nature of service in India to render it especially appropriate there. The system is moreover plainly incompatible with the conditions established in that country, as well as at home, that each officer's tour of staff service shall be limited to a fixed period. Under these the regimental officers of the British service find re-employment by returning to their regiments; but a man who has left his regiment permanently, and joined an unattached list like the Staff Corps, in virtue of obtaining a staff appointment, must either be placed on the shelf on the expiry of his term of staff-service, or else the regulations must be practically evaded by shifting the staff-officers about from one appointment to another. At any rate, the military staff-officers form comparatively a small body, being only about seven per cent. of the whole Indian army, and the principle here contended for would not be affected by the formation of a separate Staff Corps comprising them alone. This plan might be better or worse than the English one; but such

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a corps would at any rate have a distinctive object, and be intelligibly designated by its title, which the Indian Staff Corps, as now constituted, is not.

There remains to consider the case of the officers attached to the native army; this will be entered upon in the ensuing chapter.

CHAPTER XV.

REGIMENTAL OFFICERS OF THE NATIVE ARMY.

Staff Corps a vehicle

It was explained in the previous chapter, that of the officers of the Indian army, 2,500 in number, nearly one-half are employed on other than regimental duties, the large majority of this portion being wholly unconnected with military employment of any kind; and I have endeavoured to show that, for this class, the organisation of a military staff corps is entirely unsuitable. It remains to consider how far that institution is adapted for the requirements of the other branch of the service to be supplied by it—namely, the regiments of the native army.

for supplying officers to regiments of native army.

The regimental officers of the Indian army, about 1,250 strong, are distributed among 177 regiments of infantry and cavalry. The whole of these officers, under the regulations provided, must eventually belong to the Staff Corps, and, in virtue of their connection with it, will rise, at certain stated periods of service, to the rank of colonel, and afterwards, in succession to vacancies in one general list for the British army, to that of general officer. But their regimental advancement will proceed on a totally different plan. Each regiment has attached to it seven officers, who, although they form the *regimental*, as opposed to the *staff* officers of the army, are nevertheless—irrespective of their commissions in the so-called Staff Corps—virtually staff-officers also, since every appointment to their branch of the service is a staff appointment. The establishment of a regiment of native

Regimental are virtually staff appointments;

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infantry consists of a commandant, a second-in-command and wing-officer, another wing-officer, an adjutant, a quartermaster, and two officers for general duty, termed wing subalterns. Similar grades are established for the cavalry. A specific staff salary is attached to each situation, which is drawn in addition to the Staff Corps pay of the holder, and each situation constitutes a distinct appointment, to which officers from any part of the (present) three armies are nominated, as vacancies occur, at the pleasure of the Commander-in-Chief. Thus while, on the one hand, the substantive army promotion of officers is guaranteed to them by rules which eliminate all chance, and cannot be hastened by the casualties of war, nor retarded by the stagnation of peace, their regimental advancement is subjected to no rule or method whatever, but is determined by simple personal selection. So strange a combination of rule and caprice has never before been applied to any army. The bearing of the case may perhaps be appreciated by supposing that, in the British line, every officer of every rank were to have a specific designation, such as is now confined to the posts of commanding officer, adjutant, musketry-instructor, &c., and that each post were filled up by selection—so that, for example, a regiment might be commanded by one of the captains, the lieutenant-colonel be employed as a major, and the majors holding charge of companies. Such an analogy, so far as analogy is possible, represents the condition at which the Indian army will ultimately arrive, so soon as the system lately established shall be fully developed.

and made purely by selection.

Objections to practice of selection for regimental appointments.

The defects of such a system are made sufficiently plain by a mere statement of the case. That, in some respects, the position of the regimental officers of the Indian army has been greatly improved, may be freely admitted. They are no longer placed in the invidious position of being the remnant of a body which has been left behind in the race for preferment, while the status of regimental duty has

been brought up to the level of other employments by the liberal salaries attached to it. An officer on joining a native regiment receives, if an ensign, a step of rank, and an addition to his income of about a hundred pounds a year. A lieutenant-colonel—and every officer will now reach that rank in twenty-six years—commanding a regiment draws a salary of seventeen hundred pounds. Under the old regime he would probably, at the same age, have been still a captain receiving less than one-third that amount. The considerable increase lately made to civil salaries of district officers in the non-regulation provinces, has certainly tended to restore the old disparity; but as compared with the army staff and civil departments, and situations in the police, magistracy, &c., it may be said that regimental duty is now fairly placed on an equality with other professional employment; while the comparative ease and leisure of regimental life, with the prospects of military distinction offered by it, will probably suffice to make it, for the future, the most attractive career open to military officers—at any rate attractive enough to secure a fair share of the best men who enter the Indian service. The value of this reform cannot be overrated, for only those who witnessed it can at all understand the sort of aspect under which service with the regular native army—at any rate the Bengal army—had come to be regarded at the time immediately before the mutiny. This grave blot on the administration has now been removed, by putting the army in a position to respect itself and be respected. But it is plain the reform has no necessary connection with the institution of a Staff Corps; while further consideration will probably make it apparent that the desired end might have been reached by a much more convenient way.

First, with regard to the practice of selection. It may be admitted that, so long as the system remains in other respects unaltered, selection of some sort is desirable, even if not necessary. A system of promotion by

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pure regimental seniority is clearly impossible in an army which has only seven officers per regiment. But the evils of departing from the rules which have heretofore more or less governed promotion in all the armies of the world, are not the less apparent. In the first place, the principle of selection severs the bond which ought to connect the officer with his regiment. Assuming that a *bonâ fide* selection is practised, every step of advancement which he obtains will involve his transfer to another regiment. Thus, for example, supposing the command of a regiment to be vacant, the selection system requires that the most deserving second-in-command in the whole army should be selected to fill it; that the best wing-officer of the army should take his place; and so on through the seven grades. It need scarcely be observed how great are the probabilities against the second-in-command of the particular regiment in which the vacancy exists, being the one to satisfy the needful conditions. Promotions within a regiment must therefore be quite the exception; ordinarily, every step of regimental promotion will involve a change to a fresh regiment. Thus the besetting weakness of the old system reappears in greater force than ever. It does not take, indeed, quite the same shape; formerly, it was detached employment of some sort which allured men from their regiments, whereas now it is advancement in other regiments; but the evil is much more intense and widespread now than then. Under the old state of things, the choice, or rather the chance, lay between duty with one particular regiment and some other employment. If the latter was not obtained, the aspirant's place lay with the former. But now every officer looks on the whole army as open to him, and the regiment to which he belongs for the time being as a mere temporary resting-place. The army thus becomes a mere congeries of battalions, with the individual interests of which the officers are in no way permanently identified.

It involves frequent change of officers among regiments,

Under such a state of things, a proper bond of union

between officers and men is impossible. The evil becomes intensified during war, because at such a time casualties, and therefore changes, become exceptionally frequent. The campaign of 1865 in Bhootan—almost the only one the Bengal army has been engaged in since the new system came into force—was an exemplification of this. One regiment marched to the expedition under a commandant who had joined it two days before; the second-in-command was officiating for an absentee, and had been with the regiment about six months; the adjutant had also been brought in temporarily from another corps, and so was one of the junior officers; altogether, only two out of seven belonged properly to the regiment. Later in the season, when the force suffered severely from malarious fever, the whole of the officers of the more sickly regiments were persons temporarily posted to them. Such a state of things is fair neither to officers nor men. It would be utterly unsuited to European troops; how much more then must it be improper for natives, who, it is generally admitted, require 'leading' in action by officers whom they know and have confidence in! The importance of this fact cannot be pressed too strongly.

and is destructive of proper union between officers and men.

Further, there is the difficulty, even with the best intentions, of working such undiluted patronage properly. The proposal broached a few years ago, for introducing a certain amount of selection into the promotion of the English army, was pronounced after full deliberation to be impracticable, the authorities concerned stating that the selection of even the commanding-officers of battalions would be too invidious a task to be managed with success; while, among other forcible objections pointed out to the proposal, was represented to be the difficulty, not to say impossibility, of discriminating between the merits of officers in time of peace, and of meeting the pressure that would be exerted to influence the disposal of patronage. But what was considered too radical an innovation to apply to the British, is but a trifling matter compared

Difficulties attending a system of selection;

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with what is now proposed for the Indian army. For that scheme, broadly stated, is nothing less than this:—that, on every occasion of a vacancy occurring, the merits and qualifications of every eligible officer in the army have to be passed in review, in order that a selection may be made of the most deserving. Such a thing has never been attempted before, and cannot succeed now. It is true that in many branches of the public service promotion is based on selection, but then the principle is always largely qualified in practice. Every branch of the Civil Service is divided into separate departments, each with its own line of promotion, and the nomination and power of appointment are generally vested in different persons. But here there would be no check interposed between each individual and the fountain-head of promotion, and an unbounded opening would thus be afforded to jobbery. That hitherto nothing has been seen of the kind, is no guarantee that it will not appear hereafter. We are now indeed passing through an exceptional state—a period of revival in military policy in India, such as occurs after a crisis. Late events have led to exceptional appointments; soldiers of mark are placed in high command, and efficiency is for the time a higher qualification than interest for preferment. But this unusual tension of public spirit may not last. Peace and forgetfulness of danger may be expected to bring round a recurring cycle of the time when interest and senility take the place of efficiency; and then the spirit of jobbery, if unchecked by rules and restrictions, may be expected to run riot in such a field as the Indian army would present. In former days, the efforts of aspirants for preferment and their friends were directed simply to obtaining a release from regimental duty; no amount of interest could advance a man in regimental promotion. But now all this will be changed. Interest will be able to do anything. No situation but there is a better; regimental life will degenerate into a scramble for promotion; and a summer campaign at Simla,

with wives, sisters, and mothers for auxiliaries, will become as necessary, and far more profitable, than any other kind of military duty.

This, it is to be feared, would be the tendency of things, were every place in the army to be thrown open, without any more restriction on the exercise of patronage than existing regulations afford. But it will be quite a safe prediction to say that rules would speedily be established for regulating the exercise of patronage; that the tendency of administration would be more and more towards the substitution of a regular system of promotion, in place of one that proceeds on no rule at all. Such a course would be especially rendered necessary if the country entered on a long period of peace. The performance of regimental duty in such a time affords no room for the display of so marked excellence as to justify supersession; and in the absence of the distinction which can be earned in actual war, seniority must needs become the only fair qualification for promotion to, at any rate, the great majority of regimental appointments; and therefore to a system of seniority—a system which the precedents and traditions of Indian administration are calculated to foster strongly—the Indian army would almost certainly revert.

If then promotion by seniority were gradually to become the rule, the machinery of a Staff Corps would clearly be as unnecessary, for a means of regulating regimental advancement, as it is under a system of selection. There would obviously be no use in maintaining a double system—one based on seniority, for determining regimental promotion and staff pay; the other for determining substantive rank and military allowances, regulated solely by length of service. The two systems would be so far consistent, that the senior Staff Corps officers would be holding the higher regimental appointments; but it would clearly be a more simple and convenient arrangement to throw all the officers of the army into two general lists of cavalry and infantry, so that rank, pay, and regimental

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advancement would all be determined by one thing—namely, the occurrence of vacancies on this general list.

or a system of seniority;

But although a seniority system would prevent the abuses that might attend the use of unrestricted patronage, and the heartburnings and jealousies caused by promotions of men out of their turn, who are not recognised as possessing superior merits; a seniority list, running through and regulating the promotion of a whole army, would be attended with some of the worst defects which characterise promotion by selection. Whether the officers of each army were thrown into one general list for each branch of the service, in which both promotions in army grades and advancement to regimental appointments were to be regulated by seniority; or whether the Staff Corps rules of promotion, for length of service, were maintained; —in either case every step of advancement would ordinarily involve the transfer of the officer from his own to a new regiment. Regimental system there would be none: so far as the officer is concerned, the whole army would constitute one regiment, and the separate corps would be merely so many different detachments, with one or the other of which he would be liable to serve from time to time. This would be merely to restore the state of things which obtained previously to 1796, which was abandoned in that year as unworkable, and replaced by the regimental system maintained from that time until 1861. This objection seems conclusive against such an arrangement. No system will answer the purpose which does not tend to identify the officer with his regiment.

or promotion by regimental lists.

For this reason a return to the old, or what is sometimes termed the 'regular,' system, which was abolished in 1861, is often advocated by writers on the subject. That term is used to denote a method under which every regiment should have attached to it an establishment of officers, of the same, or nearly the same, strength as the former cadres of the Indian regiments; in which body promotion should proceed by seniority as heretofore, and

as it still does in the non-purchase corps of the British service. But this proposal appears to be made under some confusion of ideas. No one, it may be presumed, contemplates a return to that part of the old system which allowed half the officers of each regiment to be always absent. What is proposed is of course a complement of effective officers, all permanently engaged on regimental duty. The old regiments had a nominal strength of twenty-five officers, of whom there were seldom more than half present. Now a regimental cadre, in order to afford a reasonable equality of promotion in the army, should not consist of less than twenty men. Were the division to be much smaller, differences and inequalities would inevitably occur to an unreasonable degree in the rates of promotion in the various regiments. What then seems really to be proposed is, not a return to the same virtual strength as before, but a very much larger complement of officers. But battalions with twenty officers each are out of the question, for financial reasons alone, even if the plan were otherwise suitable. It may certainly be admitted that many persons, whose views carry weight, are strongly of opinion that the so-called 'irregular' system, *i.e.* that which allows only six or seven officers to a regiment, is unsuited to the exigencies of war; and it may be admitted that there can hardly be too many officers available at such times. But, on the other hand, there is no possible use for a strong cadre of officers in peace-time. So far from twenty, or even ten, officers being a proper complement for the ordinary business of a native regiment, it may be doubted whether there is sufficient occupation for the seven now allowed. Persons whose notions on the subject are derived from experience with European troops, would have a very imperfect conception of the ease and simplicity with which the business of a native regiment is conducted. The inspection of rations and meals; the constant orderly-room duty and roll-calls; the daily distribution of pay; the complicated accounts of stop-

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pages; the supervision of the regimental families; and the other constituent items of the British regimental system, are perforce unknown in the native army; while crimes are rare, the great cause of crime among British troops being almost unknown. On the whole, it may be doubted whether, excepting the commandant, adjutant, and quartermaster, there is effective employment for even the small staff now attached to native regiments.

Conditions of the case to be satisfied.

These then are the difficulties to be overcome. What is required for the Indian Army is an organisation which shall give a reasonably fair and equable system of promotion, without the stagnation and senility induced by long seniority lists; which shall create a permanent bond of union and interest between an officer and his regiment; and which, without encumbering the army by a needlessly large staff in peace-time, shall provide an effective means of strengthening the regiments employed on active service in time of war.

Proposed plan. Native army to be organised in regiments of four battalions, with fixed establishment of officers.

I conceive that all these conditions may be satisfactorily met, by the simple plan of converting the army, now consisting of separate regiments [infantry] seven hundred strong each, with a complement of seven officers, into regiments of three or four battalions each, the officers of each regiment being placed on one seniority list. A regiment of four battalions would thus give an establishment of twenty-eight officers, and this would probably form the most generally suitable unit of organisation.

Such a plan, besides providing completely for the requirements of the officers, appears to be also strongly recommended by its suitability for the army in all other respects. The great reduction of 1861* was made partly in the number of regiments, and partly in the strength of each regiment retained, which was cut down from eleven

* During the mutiny a great number of levies were hastily raised in all parts of the country, and, at the termination of the war, the new Indian army was almost as large as it had been in 1857. A reduction was made to the present peace establishment in 1861, by disbanding a great many regiments, and diminishing the strength of the remainder.

to seven hundred. It need hardly be said that a nominal strength of seven hundred of all ranks gives a much smaller force of available bayonets to take the field, and a very short campaign will suffice to reduce it to a mere handful of men, barely exceeding the company of many European armies. Such small battalions, moreover, do not admit of depots. When a regiment goes on active service, every man and officer is required at the front, and the replacement of casualties necessarily remains in abeyance until the regiment returns from the campaign and begins to recruit, the result being that it remains short-handed and inefficient for a long time after the conclusion of the war.

On these accounts, therefore, the same aggregate force as is now maintained would have been perhaps more efficient, and would certainly have been more economical, if comprised in a smaller number of stronger regiments. But in determining the form to be given to the reductions of 1861—when the number of men required was thus spread over the largest number of corps compatible with the maintenance of reasonable efficiency in drill and discipline—the Indian Government was probably influenced by the desire that the measure should press as little hardly as possible on those affected by it; while it was felt, no doubt, that a peace establishment of numerous small cadres was peculiarly suitable to the military wants of a country, where recruits are to be had without limit, but where European officers, accustomed to native troops, cannot be improvised suddenly. But by regimenting three or four battalions together, one battalion at least might always be stationed in the province where the regiment was raised, as a depot for enlisting and training recruits, since all of them would not be required to take the field at the same time. The battalions on service would thus have their casualties made good, from time to time, by draughts from the reserve; and on their return from the campaign, instead of, as at present, having first

Advantages offered by proposed method, in time of war;

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to find and then to train the men required to complete their strength, they would find a supply of drilled soldiers ready to join. In this way the losses—which falling, as they now do, on one weak battalion, practically expunge it from the army list for a season—would be distributed over a body four times as strong, and would not produce any injurious effect on the general efficiency of the army. In the same way, the full complement of officers of the battalions on service could be maintained without indenting upon strangers, since the reserve battalions might well be left for a season with a smaller number. Under the present state of things, the only available mode of filling up casualties on such occasions, is either by transferring officers temporarily from other regiments, or by appointing fresh juniors, thereupon brought into contact with native troops for the first time. In either case the change takes place on the very occasion when it can be made with least propriety.

and for regulating promotion of officers.

Another important advantage which may be claimed for the proposed organisation, is that these four-battalion regiments would supply the machinery for a convenient system of promotion, free from the tedious slowness which accompanies a long seniority list, or the monotonous uniformity of the Staff Corps system, regulated only by length of service. A moderate amount of inequality in promotion, which may admit of some men getting to the higher ranks before they are past work, is a very desirable condition in every army. This would be secured by re-establishing regimental promotion, while the strength of the proposed cadre—of twenty-eight officers—would be sufficient to prevent excessive irregularities.

Distribution of grades recommended for each regiment.

It is only necessary to add, that the distribution of grades in these regiments should be such as to provide a fair, but not excessive, rate of advance to the higher ranks; so that the prospects of promotion afforded by service with the native army, coupled with the liberal rates of salary already attached to each post, may be

sufficient to attract a full supply of worthy candidates for admission from the British army. The old regimental organisation of the Indian army had the fault of a too large proportion of junior to senior grades, there being three subalterns to each captain, and only one major to a regiment of (latterly) twenty-five officers.* Now promotion in the Royal Artillery is considered to be certainly not too rapid; but in that regiment, out of every forty-seven officers, no less than six (or more than one in eight) are in the grades of colonel and lieutenant-colonel; in the Royal Engineers the ratio is still more favourable. It was this malproportion, and not any inherent principle of longevity, which caused the slow promotion of the Indian Army; while the tendency of late years was towards an increase of the defect, since the different small augmentations made from time to time were all given to the lower grades. The full effect of these had, indeed, not become apparent when the old army was broken up; and, but that the Staff Corps came to the rescue, the Indian Army would by this time have entered on a cycle of slow promotion, such as it never before experienced. While at all periods the only thing that saved it from being utterly clogged with worn-out field officers, was the purchase system which had become established in every regiment.

A distribution of grades for the proposed regiments, in order to work successfully, should apparently be at least as favourable as that obtaining in the artillery and engineers, and this would be provided if the twenty-eight officers composing a regiment were divided into—

4 Lieutenant-Colonels.
4 Majors.
10 Captains.
10 Lieutenants.

This arrangement would provide for each of the four

* In the Indian Artillery and Engineers the ratio used to be still more unfavourable.

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battalions being commanded by a lieutenant-colonel; the second-in-command of each would be a major; the four senior captains would be wing-officers. Of the remaining sixteen officers, eight would be chosen by selection for the posts of battalion adjutant and quartermaster. It would give a slightly more favourable proportion of lieutenant-colonels to junior grades than obtains in the Royal Artillery, but then every officer entering a native regiment will have already served at least three years in the British Army.

It may not be out of place to remark here, that if this plan were thought to give too much weight to the claims of mere seniority, and to leave no sufficient opening for rewarding exceptional merit, it would be quite practicable, while maintaining the cardinal features of the scheme, so far to modify it, as to combine a certain amount of selection in filling up the regimental appointments. For example, it might be provided that, the line of regimental promotion remaining intact, the officers of one battalion in each regiment should be appointed to it by selection without reference to standing. Other similar provisions will readily suggest themselves, as possible modifications of the general scheme; but it may confidently be asserted that, as a rule, it will not be practicable during peace-time to distinguish any marked superiority of one regimental officer over another, sufficient to override the unquestionable claims of seniority. At any rate, if provision be made for filling up one-fourth of the army posts in this way, it should prove amply sufficient for the wants of the case.

Failure of Staff Corps system to supply suitable proportion of grades,

Another argument which may be urged in favour of a fixed establishment, such as is here proposed, is that the grades held by the different officers will then be always appropriate to their duties. The Staff Corps system altogether fails in this respect. Already the number of field-officers who have attained that grade, under the qualifying length of service, far exceeds the requirements

of the army, and the difficulty of finding adequate employment for this class threatens to create continual embarrassment. In determining the periods of service which have been prescribed for promotion to each grade —twenty years for a major, twenty-six for a lieutenant-colonel, and so on—the average rate of promotion in the British army was, I believe, taken as a basis. But in that army the men who adopt the service as a permanent profession are certainly the exception. The majority of those who enter it do not remain to rise beyond the rank of captain. So that, although the average length of service of the regimental field officers may be as above stated, the officers junior to them are, as a rule, much younger men. But in the Indian army this constant movement in the lower ranks, from retirements by sale of commission of junior officers, does not occur. Generally speaking, the casualties which take place in it are due only to deaths and the retirement of seniors who have qualified for pensions, so that the comparative number of older officers is necessarily much greater than in the British army. The result is that the ratio of field-officers to junior ranks is already out of all proportion to the wants of the service, and tends to increase yearly, while in order to find employment for the captains, the posts of 'wing subaltern' have now in many cases to be filled by officers in that grade. The resulting expense is of course very great, and forms a potent argument against perpetuating the system, especially in the present state of the Indian finances. To meet the constantly recurring deficit various efforts are now being made to effect retrenchment in the military expenditure; regiments and batteries both native and European are in course of reduction, and the establishment of British troops serving in India has been cut down below what many good authorities deem to be the point of safety; but while all this is going on, and the British half-pay list is swelled by the officers thus thrown out of employ, the charges for the pay of the Indian officers are day by day increasing.

and needlessly expensive nature of organisation.

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Organisation for cavalry.

The foregoing argument has had special reference to the infantry, and so much of it as relates to the unsuitable size of the present skeleton battalions will not be applicable to the cavalry regiments. In all other respects, especially as regards the best mode of regulating the promotion of the officers, it appears to hold good, and the formation of cadres of twenty-eight officers would be equally suitable for the latter branch of the service.

Proposed plan would promote retirements.

Lastly, there is to be urged the advantage which the proposed cadres would present for the introduction of a system of purchase, such as used to obtain in the Indian Army, under which every retiring officer received a bonus from his juniors. Such a system is impracticable in large bodies, where the promotion runs in long lists; and it has no place in the Staff Corps, since in that service no one is directly interested in the retirement of his seniors. Objections have indeed been made to a purchase system of this kind, although the Court of Directors did not share in them; but no branch of the service has ever worked successfully without it. The British ordnance corps are no exception to this rule. In them the effect of seniority without special invitations to retirement has been disguised by the rapid succession of augmentations occurring during the last twenty years; but the cry is already raised of stagnant promotion, and plans for increasing the inducement to retire are now under discussion. In the late Indian army, notwithstanding pensions and the bonus system, the complaint was justly made that the officers were too old; and the rate of retirement since that system has been abolished affords no room for supposing the natural effect will not follow. Increased pensions have indeed been lately introduced, but these, although offered with the most kindly motives, may rather be expected to aggravate the evil, since they present new inducements to officers to hold on longer. Before their introduction, the maximum rate of pension was reached in thirty-two

years' service; after which a man gained no benefit—except in the prospect of eventually obtaining colonel's allowance—by staying in the service. But now an additional pension follows the completion of three years' more service, and a further increase after another period of the same length. These inducements can hardly fail to tempt men from retiring at a time when they would otherwise have done so.

Pensions alone insufficient for this purpose.

But, even if this were not so, pensions alone will not induce retirements sufficiently. It may be admitted that, compared with those granted in the British army, the Indian rates are liberal. But in the British army—which, if not exactly an army of rich men, is at any rate a service in which the money remuneration forms quite a secondary attraction—the retirements on full-pay form quite an inappreciable proportion of the whole. In the Indian army, on the other hand, they form in effect the only kind of retirement in force; and in order to appraise fairly the value of the inducements offered, comparison should be made with the pensions given in those departments (such as the English and Indian Civil Services), which are regarded as a permanent profession and means of livelihood. Compared with the former, the Indian army pensions are small; while in the Indian Civil Service it has been found necessary to supplement the pension of 1,000*l.* a year by compulsory retirement, the pensions alone having proved an insufficient inducement. The fact that this pension is partly provided by the civilian's own contributions does not, of course, affect the argument.

It may perhaps be replied that, admitting the insufficiency of pensions as a means of support on retirement, it is not contemplated that men should look solely to them; that the rates of pay now allowed to regimental as well as all other officers are sufficient to permit men to save as well as spend. This may be admitted, although the rise of prices in India is rapidly

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and steadily reducing the value of fixed incomes; but a systematic practice of saving requires a greater degree of forethought than most men possess. It is not a common virtue to exercise continued self-denial in view to a distant contingency—a contingency which, be it observed, is not likely to happen, since the majority of the officers of the army do not live to qualify for pension. A wise government will frame its regulations so that they shall be adapted to the capacity and habits of ordinary beings, and shall tend to counteract a besetting weakness of most—the tendency to set the present before the future. The different funds, civil and military, of the Indian services, were framed on this principle; and by making subscription to them compulsory, the state, at no cost to itself, enforced an economy on its servants which preserved their families from the dangers of improvidence. And, in the same way, a sufficient stream of retirement may be secured to maintain the efficiency of the army, without burdening the state with costly rates of pension, simply by such a form of organisation as shall put it in the power of the officers themselves to buy out their seniors. The experience of the last thirty years has clearly demonstrated that the regimental system of the Indian army, with its small separate cadres, affords such a machinery perfectly adapted to the wants of the case. The officers will be found quite ready enough to save, if by so doing they obtain the direct and immediate benefit of promotion. Let this be placed within their reach, and the rest may safely be left to the unerring law of self-interest.*

* The old arrangement, it may be observed, was open to the defect that the regimental lists only extended to the grade of major. The promotion of the lieutenant-colonels ran in one seniority list for the whole army, so that no individual regiment was directly interested in buying-out any officer of this grade. The result was that purchase extended only to the majors; if an officer passed through that rank without being bought out, and became a lieutenant-colonel, he seldom retired afterwards, but held on for the chance of ultimately obtaining the colonelcy of a regiment. Promotion among the lieutenant-colonels used consequently to be very slow, depending simply on

Our review is now concluded of the merits and defects of the new organisation of the Indian army—or what perhaps may be more accurately termed its future organisation, since it has not yet come fully into operation. The points which it has been sought to establish in the preceding chapters may be summarised as follows:—

Summary of proposals.

I. That—leaving out of sight the members of it who belonged to the old Indian army, to whom the argument advanced is not applicable—the Staff Corps is entirely unsuitable as a machinery for the supply of officers for the different branches of the civil administration. That in this respect it in no way resembles the system it professes to replace, but involves a new and objectionable use of military rank and title, quite alien to the traditions of the British Army. Further, that no sufficient necessity exists for such a radical change, since the required object might be equally well obtained in other ways.

II. That the Staff Corps is equally unsuitable for supplying the civil departments of the army. Those departments are essentially civil in their nature, and in every other army are filled by civilians, or by military officers who have surrendered all further claim to military promotion, as in the case of those joining the new Control Department of the British army. Under the old system, the officers who filled them were liable to take their turn of military duty especially in war-time, and formed an effective part of the regimental strength of the army. They will henceforward be severed from connection with military duty of any sort, and there are no longer reasons for retaining them on the roll of the combatant establishment.

III. That it is an inconvenient and unsuitable machinery for officering the native army—especially that the system

death-steps. The proposed scheme, by making the lieutenant-colonels a part of the regimental cadre, would avoid this defect, as well as the greater one, that the commanding officer was frequently a stranger to the men of his regiment.

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is destructive of that bond of union between officers and men which is a necessary condition of military efficiency.

IV. There remains the case of officers on the Military Staff. But these are comparatively a small body, and it is not to be supposed that a Staff Corps would be needed, or have been organised, simply on their account.

Such being the state of the case: when already some of the defects of the system have made themselves apparent—especially the restless spirit engendered by it among the regimental officers, the cessation of retirements, and the destruction of all bonds of union between the officers and the native troops,—surely this is the time, when the system is still in its infancy, to attempt a reform, while reform is yet possible.

It may however be urged, that if the system be really so defective as is here represented, the objections to it must certainly have been foreseen. The very fact that the system has been deliberately provided is in itself, it may be said, evidence that it cannot be impracticable. This apparent inconsistency may perhaps be accounted for by the circumstance that, in the reorganisation of the Indian army, the principle which usually governs the administration of Indian affairs appears to have been departed from. That India can only be governed properly in India, is a proposition which all parties are accustomed to assent to; and by no one has it been more distinctly asserted than a late Secretary of State, who declared in his place in Parliament that it was not his province nor in his power to govern India—that all he could profess to do was to control the Government of India. In the present instance, this sound maxim was departed from. Both the principles and details of the measure were elaborated in England, and the functions of the Indian Government were limited to giving effect to them. To say nothing of the complications which arose out of its first introduction—lately so unhappily notorious—and looking merely to the objections of a

permanent character which we have seen to be inherent in the new system, it may fairly be asserted that, if the usual course had been followed, which leaves initiation to the Indian and confirmation to the Home Government, the defects which have now become apparent would have been foreseen and provided against.

Happily, if the defects are clearly established, the way to overcome them is not less clear; and the peculiar condition of Indian public life—the rapid change of officials, although it is often a hindrance to steady progress, renders a reversal of erroneous policy comparatively easy. But nine years have passed since the Indian army was reorganised, and already all the principal authorities concerned in the measure have passed away from official life, or to other departments of affairs. None are now left, at any rate in the East, who stand committed to a persistence in the original plan.

It now only remains to summarise the remedial measures which have been proposed in this and the foregoing chapter. These are:—

A. The formation of a second Civil Service, to take the place, gradually, of the present civil branch of the Staff Corps, the members of which should quit the army on appointment to it: their emolument and precedence to be regulated solely with reference to the nature of their departmental employment. Existing members of the Staff Corps to be invited to join this service, and the higher officials of the numerous body known as the Uncovenanted Service to be also eligible for admission.

B. The gradual transformation of the civil staff of the army—Commissariat, Pay, Clothing, &c.—into civil departments. Members of the old Indian Army to retain the position already secured to them by the Staff Corps.

C. The organisation of the native army by regiments, each of several battalions—four has been suggested as

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the most convenient number—each battalion consisting of a native regiment as it now stands; the whole regiment to be officered by a permanent fixed establishment of officers, who should be promoted by seniority, in succession to vacancies occurring in their respective cadres. This plan, amongst other advantages claimed for it, would provide a self-acting machinery for ensuring a reasonably quick stream of promotion without additional cost to the state.

D. There remains the case of the fourth and last class of officers who compose the existing Indian Army—the Military Staff. These are altogether less than two hundred—a proportion of the military staff appointments being held by officers of the British service—and they could be conveniently supplied from the proposed native regiments; officers while on the staff being made supernumerary in their cadres, after the practice in force in the Royal Artillery.

E. The proposed plan would admit readily of exchanges between the British and Indian services; and it would be easy to provide, when working out the details, for the return of officers to the army from the civil departments, within certain limits as to length of service in the latter.

Importance of speedy action.

In conclusion, the great importance may be urged of speedy action, since every fresh admission to the Staff Corps increases the difficulty of reform. Fortunately, the proviso was made in 1858, that all officers entering the Indian army after that date should be liable to the provisions of any future changes; so that the perpetuation of the Staff Corps system need not be extended after the disappearance from the army of all who entered it before that year. Finally, whatever plan shall be determined on, it may be hoped that, after the experience afforded by the agitation of the last nine years, the legality of that organisation may be established, beyond doubt or cavil, by embodying its provisions in an Act of Parliament.

CHAPTER XVI.

THE NATIVE ARMIES.

CHAP. XVI.

Reasons in favour of fusing officers of Indian army into one body,

WHEN advocating, in the earlier part of this work,* a reform of the military administration of India, which should sweep away the cumbersome and expensive machinery of three separate establishments, and centralise all military authority in the Supreme Government,—with which already virtually rests, and must in any case ultimately rest, all military responsibility and power,—a reservation was expressly made regarding the native troops. The argument for placing the whole of the British troops in India directly under the Commander-in-Chief, and for fusing the three establishments of officers of the Indian army into one body, is based on entirely different considerations from those which affect the native armies to which they are attached. These separate establishments, which took their origin out of the early conditions of British connection with India, when the three presidencies were isolated points on the seaboard, have been maintained, as far as the European troops are concerned, long after the division ceased to be necessary. There is no longer any more reason for maintaining three distinct British armies in India, at great cost and inconvenience, than there would be in pursuing the same arrangement for the troops in Canada or the United Kingdom. The maintenance also of three different bodies of officers for the local armies ceased to be necessary after the separate lines of pro-

not applicable to native troops,

* Chapter II.

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motion were abolished by the Staff Corps system, and the fusion of the general officers of the British and Indian armies into one list; and it would be equally unnecessary under the method which has been proposed here for replacing that system. But, on the other hand, the advantages of maintaining a division of the native armies have been too clearly displayed by late events to require any advocacy here, while there appear to be conclusive reasons, which will now be stated, for carrying the existing divisions still further. The following remarks will be devoted to enforcing this view, and to offering some suggestions on the general subject of native troops which appear deserving of consideration.

of which a still further subdivision is called for.

Before entering on these subjects, it may be useful, in order to prevent possible misconception on this head, to point out that the proposed amalgamation of the officers of the Indian army would not involve any more intimate connection between the different native armies than at present subsists. The Punjab frontier army is at present wholly unconnected with any other force, but the officers belonging to it are supplied from the three Staff Corps. The Hyderabad Contingent is isolated in the same way. Under the proposed system the isolation would be carried still further, because an officer once appointed to a regiment would remain attached to it for the rest of his service, whereas now he is eligible for transfer from one regiment, or even from one army to another.

Mode of army reorganisation already proposed would favour this plan.

To turn now to the effect of the measure proposed in the preceding chapter on the different native armies. First, as regards the Madras Army. The forty battalions of which this army is composed plainly constitute a convenient body for conversion into the proposed four-battalion regiments. The force is a homogeneous one, the men of each regiment being recruited generally from the southern parts of the peninsula. Its size renders it easily manageable, and no further subdivision

Effect of proposed reorganisation on armies of Madras,

seems called for, especially when its character for loyalty is remembered; but having regard to the cardinal principle on which our military policy should be based, it might be well to give each regiment hereafter a permanent recruiting district to itself, at which one of its battalions should always be stationed. The formation of a permanent regimental head-quarters of this sort, while certainly tending to make the service popular, would afford a depot system for the Madras troops serving in Burmah and other places beyond the sea, which is much needed. The four regiments of Madras cavalry would be kept separate as at present; their officers would furnish one complete cadre of the proposed new strength.

Bombay.

The Bombay Army is still smaller than that of Madras, consisting of only thirty battalions of infantry, with a little over 20,000 men. The whole of this force is raised generally from the districts occupied by it, with the exception of two battalions composed of Beloochees, and a battalion—the 30th, or Jacob's Rifles, a local corps—raised in Sind. These three battalions are usually stationed in that province, and a fourth battalion might usefully be localised and united with them to form a local Sind regiment, for reasons which will be more fully dwelt upon when I come to speak of the Bengal Army.

The cavalry of the Bombay Army divides naturally into two parts—one composed of four regiments of Hindostanees, the other of three regiments of Sind Horse—which would be advantageously kept, as at present, apart from each other. The fact that the number of infantry battalions and cavalry regiments is not an exact multiple of the proposed new unit, would not materially signify, the arrangement to be made for the case of the extra battalions being a mere matter of detail. A pedantic adherence to the number four is not in any way necessary; nor, if the organisation were thus symmetrically established in the first place, is it to be supposed that the Indian Army will always remain unchanged. But what-

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ever may be the additions or reductions made hereafter in its numbers, it would always be practicable to arrange the officers by cadres of uniform strength. This would be desirable in order that all might have an equally fair chance of promotion; but it is obviously not necessary to have precisely seven officers with each battalion. As to the disposal of any surplus officers, it may be observed that, whenever the number attached to a regiment may be in excess of its requirements, those officers employed on the staff need not be made supernumerary; and that by a proper application of the practice of 'seconding,' the strength of the effective list might be adjusted to any degree of nicety required.

As regards the composition of the Bombay Army: in the opinion of many experienced officers it would be advantageous to establish a separate recruiting-ground for each regiment, and so break up its present homogeneous character, by the formation of class-regiments. In any case it seems particularly desirable that the practice of enlisting sepoys for it from the country whence the Bengal Army is supplied should be put an end to.

and Bengal.

The case of the Bengal Army needs to be dealt with at greater length. The sepoy portion (*i.e.* the infantry) was before the mutiny recruited almost entirely in Hindostan, and principally from the people occupying the great plain north of the Upper Ganges, especially Oudh, and between that river and the Jumna. One-sixth of the sepoys of each regiment might consist under the rules of Mahomedans, and possibly, at the time when the army was first raised, this difference of religion running through the ranks may have been a useful preservative against secret combination; but it had long ceased to be of any value in this respect. The ties of service were stronger than any surviving prejudice between conquered and conquering races; and the army had become a vast brotherhood, united by supposed identity of interests, throughout which, by a sort of freemasonry, the popular feeling

could be communicated with extraordinary celerity from one end of the land to the other. The cavalry was principally recruited in Rohilcund and the country westward of the Gangetic Doab; it consisted chiefly of Mahomedans, and it was generally expected to prove indifferent to any passions which had their origin in Hindoo caste-prejudices. The result, it need hardly be added, completely falsified this expectation. The bond of union formed by long years of association in garrison life proved superior to every other consideration. With the exception of a few battalions, whose loyalty was the more conspicuous from the rarity of such examples, the whole Bengal army mutinied. In some places the Hindoo sepoys took the lead—in others the Mahomedan troopers; in ill-discipline, bitterness of feeling against their masters, and confidence in their power to overthrow them, there was nothing to choose between Hindoo or Mussulman, cavalry or infantry.

Advantages derived during mutiny from separation of Punjabees from Hindostanees,

Fortunately, the so-called Bengal Presidency was not garrisoned wholly by the regular army. Four battalions of Goorkhas, inhabitants of the Nepalese Himalaya—who had been kept aloof from the rest of the army, and had not imbibed the class-feeling which animated that body—with one exception stood loyal; the conspicuous gallantry and devotedness to the British cause displayed by one of these regiments especially won the admiration of their English comrades. Two extra regiments of the line, which had been recruited from the Punjab and its neighbourhood, also stood firm. But the great help came from the Punjab Irregular Force, as it was termed—a force, however, which was organised on quite as methodical and regular a footing, was quite as well drilled, and vastly better disciplined, than the regular army. This force consisted of six regiments of infantry and five of cavalry, to which may be added four regiments of Sikh local infantry, usually stationed in the Punjab. These troops were directly under the orders of the Government

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of that province, and not subject to that centralised system of administration which had so large a share in undermining the discipline of the regular army. It was with these troops, and the handful of Europeans quartered in the upper part of India, that the rebellion was first met. Meanwhile the sympathies of the people of the Punjab were enlisted on behalf of their rulers. A lately-conquered people, whose accustomed occupation had been superseded by the disbandment of their army, they entertained no goodwill towards the Hindostanee garrisons which occupied their country, and welcomed with alacrity the appeal to arms made them to join in the overthrow of their hereditary enemies. Any number of men that could be required was forthcoming, and the levies thus raised were pushed down to the seat of war as fast as they could be equipped and drilled. And on the reorganisation of the Bengal army, these Punjab levies have formed a large component part of it. The isolation formerly maintained of the Sikh—or to speak more correctly the Punjabee—from the other peoples of India has thus been broken through, and one of the most important principles which, I venture to think, should guide our military policy has been abandoned. The moral, above all others, to be learnt from the mutiny was surely, that the different military bodies which we are compelled to keep up should be as distinct as possible from each other. It was this isolation of the Madras and Bombay Armies from that of Bengal which prevented their being contaminated by the spirit of mutiny. The same cause, among others, kept the Punjab on our side; the bulk of the Bengal Army was not recruited from that country. But this advantage has now been discounted. The Punjabee levies have been converted into regiments of the Bengal line, and take their regular tour of duty throughout the whole country, from the Peshawur frontier to Assam; Sikh sentries now garrison Fort William, side by side with Poorbeahs from Oudh and Behar; and, as a

has now been sacrificed.

consequence, the Sikh soldiery, in the opinion of many who are intimately acquainted with that people, are fast losing their special characteristics as a separate race, and are becoming, so to speak, citizens of the world. The result may be, that if, on the recurrence of such an emergency, we have occasion again to invoke their help, we shall find their sympathies transferred from our side to that of their brother-soldiers. If the Bengal Army has to be put down a second time, it will be an army representing every race of people from the Ganges to the Indus, and there will be no second Sikh army to look to for aid against it. Not only will the lesson to be learnt from 1857 have been all thrown away: we shall have artificially created a second difficulty, of precisely the same kind, without reserving the means of overcoming it.

Impolicy of thus fusing the two races.

It may be said that these are the views of an alarmist; that the large force of Europeans which now garrisons the country, and our improved military arrangements, render our position perfectly secure; and that we could now put down any mutiny by sheer force, without being called on to pit one class of native troops against another. As regards the immediate present this may perhaps be admitted. Almost the whole artillery of the country is now manned by Europeans, and all the strong places are in our hands. But the tendency of things is towards a constant reduction of the British troops,* and the pressure of an European war may at any time bring them down below the point of safety. Surely now is the time, when the events of 1857 are still fresh in the memory, to establish our military system on a basis of safety, and deliberately to prepare an insurance against the inevitable time when the State shall be again lulled into a treacherous feeling of security. And the first measure called for in this direction is the subdivision of the Bengal Army into two smaller bodies. Had this been made when the

A return to former separation advocated.

* Since the above was written the European force has been diminished by two regiments of dragoons and two battalions of foot.

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Punjab was conquered, the mutiny would possibly never have occurred, at any rate it would have been suppressed with comparative ease. But the administration of that day had not the excuse of our experience.

The change was not made designedly, but by accident.

It may strengthen the argument here put forward, to point out that, in justification of maintaining the existing state of things, there is not even the plea that it has been intentionally brought about. The present organisation of the Bengal Army is purely accidental. The origin of the Punjab levies has already been explained, the only practical limit placed on which, at the time when they were raised, was the power of finding arms and officers. In addition to these, very numerous Hindostanee levies were raised all over the reconquered provinces; and the whole, together with the few regiments that remained faithful, formed at the conclusion of the war almost as large an army as that which it succeeded. Considerations of policy, and the necessity for holding the lately-disturbed districts in strength, required that this force should be maintained intact for some time after the cessation of actual hostilities; but in 1861 financial pressure demanded a sudden and rapid reduction, and this was carried out, not upon any definite policy, but by the retention of the particular battalions which had distinguished themselves on service, or were otherwise conspicuous for efficiency. These effects were, no doubt, due mainly to the particular officers who commanded them; thus the present composition of the army is quite accidental, and has not been brought about with any view to establishing a balance of creeds or races.

Unpopularity of distant service with native troops in peace-time,

Another strong argument in favour of a division of the Bengal Army, is the extreme unpopularity with the native of a military service which involves tours of duty, during *peace-time*, far away from his home. To the Punjabee the climate of Lower Bengal is as unsuitable as is that of the Punjab to the Bengalee, and both to the European; and be it remembered, that while the sphere of service has

been thus extended, the pay and privileges of the sepoy remain the same. On this head may be given the opinion of a Committee which reported on the subject in 1858, consisting of Sir John [now Lord] Lawrence, Sir Neville Chamberlain, and the late Sir Herbert Edwardes, than whom no higher authorities can be quoted, extracted from the Appendix of the Report of the Royal Commission of 1859 on the Organisation of the Indian Army:—

'After mature consideration, and with reference to the events of the past year, we come decidedly to the conclusion, that regiments of native infantry should be provincial in their composition and ordinary sphere of service. As we cannot do without a large native army in India, our main object is to make that army safe; and next to the grand counterpoise of a sufficient European force, comes the counterpoise of natives against natives. At first sight it might be thought that the best way to secure this would be to mix up all the available military races of India in each and every regiment, and to make them all "general service" corps. But excellent as this theory seems, it does not bear the test of practice. It is found that different races mixed together do not long preserve their distinctiveness; their corners and angles, and feelings and prejudices, get rubbed off, till at last they assimilate, and the object of their association, to a considerable extent is lost.

'To preserve that distinctiveness which is so valuable, and which, while it lasts, makes the Mahomedan of one country despise, fear, or dislike the Mahomedan of another, corps should in future be provincial, and adhere to the geographical limits within which differences and rivalries are strongly marked. Let all races, Hindoo or Mahomedan, of one province be enlisted in one regiment, and no others; and having thus created distinctive regiments, let us keep them so against the hour of need, by confining the circle of their ordinary service to the limits of their

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own province, and only marching them on emergency into other parts of the empire, with which they will then be found to have little sympathy. By the system thus indicated, two great evils are avoided: firstly, that community of feeling throughout the native army, and that mischievous political activity and intrigue which results from association with other races, and travel in other Indian provinces; and, secondly, that thorough discontent and alienation from the service, which has undoubtedly sprung up since extended conquest has carried our Hindostanee soldiers so far from their homes in India Proper. There can be no question that a contented servant is better than a discontented one. Unfortunately, we have tried too much, hitherto, to purchase the contentment of our native armies by increased pay, batta, &c.; this has not answered its purpose, and has produced many evils. It has enriched the sepoys, but not satisfied them. Nothing can reconcile natives to long absence from their homes, where they leave their wives and lands. The sepoys felt they were being coaxed into foreign service, and got both angry and insolent with a sense of power. We believe that what is called "general service" has been prominent among the causes which undermined our once faithful native army. If then, in future, we keep our regiments moving ordinarily in a circle about their homes, we shall add greatly to their real happiness, and consequently their loyalty, and be able to get rid of all mischievous increases of pay. Fewer men will also suffice, for the furloughs will be shorter, and, in fact, we believe that the service will thus be rendered more safe, more economical, and more popular.'

another reason for localising them.

It seems needless to add anything to this evidence. The unpopularity into which the service has fallen, from the cause here dwelt on, has not perhaps reached the point at which a difficulty is felt in obtaining recruits, but that it is extensively felt no one conversant with

the subject can doubt. There may be some persons, indeed, who will say that soldiers who do not like going where they are sent are not worth having. This is not the view taken, be it observed, with regard to European troops; it is always assumed that they prefer good stations to bad. But, however that may be, the point at issue is not as to the quality of the soldier, but whether, a certain description of soldier being required, the requirements of the service should not be adapted to secure him. At any rate the objection will probably not be deemed to deserve a serious reply. There is, however, one that may be raised—and, so far as I am aware, it is the only one that has any weight—namely, that if one-half of the existing Bengal Army be cut off permanently from the north-west frontier, which has of late years as the scene of the principal campaigns been the great practical military school for Indian troops, the quality of that portion would be in danger of deteriorating. The separation here advocated need not, however, be maintained beyond time of peace. It would still be perfectly practicable to employ portions of both armies on military operations beyond the frontier, or in any part of India. Under the excitement of active service, the dislike of native soldiers to leaving their own country disappears, and in such times there is no danger of bringing the different military bodies into contact. It is during the tedious monotony of cantonment life that the sepoy sickens of exile, while it is during idleness that mischief is hatched, when large bodies of mercenary troops are brought together. Divide the Bengal Army, and danger from this cause is reduced to a minimum. Each army will then be available as a means of coercing the other, and a very much smaller body of European troops than now garrisons the country would suffice to turn the scale.

Localisation of

This may be a hard way of looking at the subject; but sentiment had a large share in bringing about the events

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native troops would admit of their being properly armed.

of 1857, and would be quite out of place now. Moreover the policy here advocated is consistent with a much fairer treatment of the native army in one very important respect than it now receives. The native infantry throughout India is still armed with the old smooth-bore musket, confessedly because it is thought unsafe to give it a more efficient weapon. Unfortunately, foes as well as friends benefit from this precaution, which, if logically carried out, should limit the sepoys to the use of bows and arrows. Were each army kept down to moderate dimensions, and confined to its own recruiting-ground, a source of danger now very palpable would be removed, and it would become practicable without excess of rashness, to extend to the Indian Army the appliances of modern military art. Until this is done, the efficiency of the native army for offensive purposes is of course excessively diminished, although the cost of transporting them beyond sea is no way lessened; while to place troops armed with the old musket in line with British battalions carrying the breech-loading rifle, obviously places both officers and men at an extreme and unfair disadvantage.

Bengal Army should be divided into two, composed respectively of the Hindostanee and Punjabee regiments now forming it.

The present state of the Bengal Army fortunately offers very favourable conditions for the proposed partition. Of the forty-five regiments of the line, twenty-eight* are composed mainly of Hindostanees recruited east of Delhi, and, with the four existing regiments of Goorkhas, who form an entirely distinct class, would naturally belong to the Eastern Army, which would thus contain thirty-two battalions (or eight regiments) of infantry. The second, or Northern Army, would be formed from the remaining seventeen regiments of the line,† which consist of Sikh regiments of the old Indian army and Punjab levies raised in 1857, together with

* Viz. the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 16th, 17th, 18th, 33rd, 34th, 35th, 36th, 37th, 38th, 39th, 40th, 41st, 42nd, 43rd, and 44th.

† Viz. the 14th, 15th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st, 32nd, and 45th.

the present Punjab Irregular Force. It would therefore comprise:—

	Battalions.
Punjabee regiments of Bengal Army	17
Punjab Frontier Force, viz.	
Punjab Infantry	6
Extra Goorkha regiment	1
Regiments of Sikh local infantry	4
Total	28

Giving seven regiments of the proposed new organisation, all composed of Punjabees with the exception of the Goorkha battalion. This would leave the infantry of the Guides to be supplied with officers specially appointed, as at present.

The cavalry of the Bengal Army admits of exact division into two equal parts. Of the nineteen regiments of that branch, twelve* are Hindostanee regiments, and would be transferred to the Eastern Army; the other seven,† with the five of the Punjab Force, were raised in that country, and would belong to the Northern Army. The Guide Cavalry would be an extra corps, like the infantry.

Recruiting should be localised throughout whole army.

The danger inherent in a mercenary army of foreigners would be still further reduced if, besides making a division of this kind, a definitive system of local recruiting were established. The basis for this already exists, since all the new regiments which date from 1857 were raised each in one spot. But this isolation of classes in separate regiments has not been persisted in; the tendency has been rather to fuse the different elements in each regiment, and make the army homogeneous—a plan which experience has shown tends entirely to nullify the advantages to be gained from the opposition of sect and race, if properly made use of. Shortly before the mutiny, Sikhs were admitted into the Bengal Army to the extent of eight per cent. of the strength of each regiment; but

* 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 14th, 16th, 17th, and 18th.
† 9th, 10th, 11th, 12th, 13th, 15th, and 19th.

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although they took no active share in the agitation which brought about the mutiny, their individuality was lost as an opposing element to it; and while the Punjabees, as a nation, co-operated with enthusiasm against the rebel army, the Sikhs scattered throughout its ranks were most of them carried away by the contagion of regimental fellowship. Every consideration therefore of experience and policy seems to point to the segregation and localisation of our native troops. Not only should each of the native armies be kept within moderate limits, and recruited entirely within its own territories, but individual regiments also should be localised as far as possible, and separation carried out of castes and religions in the different regiments, or at any rate in the different battalions. If all this be persisted in, and if commanding-officers are left in possession of extensive powers of reward and punishment—the tendency inherent in all central departments to interference and over-centralisation being steadily repressed,—then the native army will afford in itself an effective machine for the maintenance of discipline, and the supremacy of the British power.

CHAPTER XVII.

NATIVE OFFICERS.

CHAP. XVII.

Defects of present system. All promotion denied to deserving natives.

THE reconstruction of the Bengal Army, which has been advocated in the preceding chapter, is proposed as a measure of precaution, and recommends itself by that feeling of distrust with which an alien government must necessarily regard a mercenary army. But while a wise administration will not neglect, when opportunity offers, and before the impression made by late events has grown faint, to ensure itself, as far as the exercise of foresight can do, against the recurrence of those disasters, by rendering a successful mutiny impossible,—it will not the less endeavour to enlist the better feelings of human nature on its side, and to place its military service on such a footing that the soldier may have a direct interest in the maintenance of our power, and not be retained in obedience merely by the fear of consequences. In this respect our military policy has surely failed, equally with our civil policy. Not that the mass of the soldiery has been treated with too little consideration. The Indian Army is probably the only army in the world the soldiers of which are better off than their brethren in civil life, and for which volunteers are always forthcoming to any extent that may be needed. But it offers no career to an ambitious man, or to a man of rank. It offers not even a position of respectability.

Rank of native officers now merely nominal.

Every regiment has, indeed, a complement of so-called commissioned native officers; but with the receipt of a commission signed by the Governor-General and Council, all resemblance ceases to the office, as it is understood in

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every other army. Not only are these commissions bestowed wholly on the non-commissioned officers, so that commissions are only to be got by entering the ranks; they confer no social advancement or change in the soldier's way of life. A non-commissioned officer is superior to a private sepoy, and a commissioned to a non-commissioned officer; but a European sergeant when attached to a native regiment is superior to both, and there is an immeasurable distance between the oldest subahdar and the youngest subaltern. The native officers live in the lines among the men, associating with them practically on terms of familiar equality, and in all essential respects they are less a distinct class than the non-commissioned officers of European troops are from the private soldiers.

Change advocated on this head;

What, then, those who share the views here expressed desire to see introduced, is the advancement of distinguished native soldiers to a position of distinctly-marked superiority above the rest of the army, on a footing of professional equality with European officers; and that Indians of good family who are otherwise qualified may be eligible for admission at once to the commissioned ranks; so that the reproach may be removed from our administration, that all but the lowest walks in it, both in civil and military life, are closed to the people of the country.

to be gradually carried out.

It is hardly necessary to add that the advocates of such a policy do not propose any sudden or sweeping measure. A radical change of this sort should be made slowly and with caution. The people of India can only be trained gradually to the new responsibilities which may be placed upon them; but the narrowness of the limits which must necessarily bound such a scheme on its first introduction, cannot be taken as the measure of its justice or necessity. In the beginning, no doubt, all that could be done is the appointment of a native, here and there, to the effective establishment of the officers of a regiment; but, in course of time, it might be ex-

pected that some regiments would be wholly officered in this way; nor does there appear to be any reason why the advancement of natives should stop at this point. This speculation however need not be pursued yet; it will be sufficient for the present generation to make a beginning. Let me add, in order to guard against being misunderstood, that it is not contemplated that Europeans should be called on to serve under natives. To do so would be to create a perfectly needless difficulty.

Objections to proposal considered.

Two objections will readily occur to the reader as likely to be advanced against this scheme. It will be said that natives are deficient in the needful capacity for military command. It will also be affirmed that to trust them with military commands would be dangerous. The two propositions are, however, plainly contradictory; they cannot both be valid. If natives cannot be trained to make efficient officers, the worst that can follow from placing them in such a position will be a deterioration in the efficiency of the army. If native officers would be a source of danger, it must be because they would be efficient officers. It was no doubt the latter view which has always dictated our military policy, and its fallacy received a sufficiently clear exposure in 1857. In the Bengal Army, the principle of seniority in the promotion of the non-commissioned and commissioned officers had been carried further than in either of the other two armies; it had been carried in fact as far as it could possibly go. The latter class were always the oldest men in their regiments,* and generally supposed to be past work; and when the first symptoms of the mutiny appeared, the opinion was almost universal among Europeans conversant with the native army that, come what might, the native officers who were in immediate expectation of retiring on their pensions, and had everything to lose by revolt, would stick by their colours. It

* They were usually from fifty to seventy years old.

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was predicted, with equal confidence, that if the army did mutiny, the native officers would be immediately set aside, and replaced by younger and more active men from the ranks. It needs hardly be said that both predictions were utterly falsified. Taking the army as a whole, the old men behaved quite as badly as the young; while the native officers maintained their places at the head of their regiments so long as the regiments held together. Their authority appears throughout to have been unquestioned, and the rebel generals were mostly chosen from their number.

So far, then, the old policy proved a complete failure. It may of course be argued that, if the mutineers had been headed by younger and abler men, they would have been more difficult to overcome; and this may be admitted. But the time has gone by for basing our military policy on the forbearance of our soldiery. Let the army be divided into a sufficient number of small military bodies, kept apart from each other, and prevented from imbibing common interests and ties; and then, so long as a reasonable force of Europeans is maintained in the country, and the strong places and all the artillery are in our hands, we can afford to look any danger from disaffection boldly in the face. Furthermore, while no doubt an able young general would be a more troublesome opponent than a sexagenarian subahdar of sepoys, it is at least reasonable to suppose that a better-educated and more intelligent class of native officers would be at once less prone to the fancies caused by ignorance and superstition, and more clearly alive to the folly and hopelessness of trying conclusions with their masters.

As to the supposed incapacity of natives for war, such an opinion is sufficiently refuted by a mere reference to history. No brilliant soldier has appeared under the British colours, because our system renders such a phenomenon impossible; but Indian history abounds in in-

stances of brilliant native generalship, displayed by men who, if their warfare was rude, were at least vastly superior to their times and to the men around them. This is a true test of genius.

Lastly, it may be argued that to introduce natives of rank into our army is objectionable because unnecessary: that the experience of the mutiny showed that this class does not require further conciliation: that they stood by us: and that it was the lower orders, and especially the sepoys, chosen mainly from the agricultural classes, who tried to upset our rule. History, however, does not repeat itself; and the existence of one cause of danger should not blind us to other possible causes. Now is the time, while the British authority is strong, and while the new Bengal army is young, to set our house in order; to redress inequalities and remove defects; and, above all, to make a beginning towards entrusting the people of India with a share in the administration of their own country.

CHAPTER XVIII.

SUMMARY.

BOOK IV.

It may now be useful, in conclusion, to recapitulate briefly the substance of the foregoing proposals. These, combined with the recommendations on the same subject contained in earlier parts of this work, involve the following general military scheme.

I. The abolition of the three separate establishments of British forces in India, and the union of the whole under one staff, subject to the direct control of the Commander-in-Chief.

II. The abolition of all presidential distinctions between officers of the native army.*

III. Prospective abolition of the Staff Corps.

IV. Prospective separation of the civil from the combatant branch of the army.

V. Transfer of officers on civil employ to a Civil Service.

VI. Organisation of native armies by regiments of four battalions, each with a fixed establishment of European officers. Promotions to be determined by regimental seniority, in succession to vacancies.

VII. The military staff in India to be supplied from the regimental officers of the British and Indian armies; the latter while so employed to be borne as supernumeraries in the cadres of their respective regiments, so that these establishments may always be maintained at their full effective strength.

* The reasons in favour of these changes are given at length in Chapter II.

VIII. Appointments to extra regiments, as the Guide Corps, Hyderabad Contingent, &c., to be filled up in the same way as appointments on the staff.

IX. The Bengal army to be divided into two parts, the Punjab Army [known as the Punjab Irregular Force] being amalgated with one of them. There would be thus four Indian armies, constituted, according to the distribution of troops at present obtaining, as follows:—

	Battalions		Regiments	
	British Infantry	Native Infantry	British Cavalry	Native Cavalry
Army of the South [present Madras Army], stationed in the provinces of Madras, Mysore, Burmah, part of the Central Provinces, and the foreign State of Hyderabad .	9	40	2	4
Army of the West [present Bombay Army], garrisoning the province of Bombay, with Sind, and various native States in Rajpootana and Central India . . .	10	30	2	7
Army of the North [part of present Bengal Army with Punjab Force], garrisoning the Punjab . . .	14	28*	3	12
Army of the East [remainder of Bengal Army], garrisoning country to east of Delhi .	19	32	4	12

X. Each of these four native armies, with the British troops attached to them, to form an army-corps under the orders of a lieutenant-general commanding. These lieutenant-generals to be directly under the orders of the Commander-in-Chief in India.

XI. The troops in each province to be at the disposal of the government of that province, which should con-

* Some of these battalions, under existing arrangement, would be stationed south-east of Delhi. The native cavalry is already serving in exactly equal portions within and beyond the Punjab, *i.e.* north and south of that city.

tinue, as at present, to be charged with all duties connected with distribution, quarters, and supply, but should have no concern with the discipline, equipment, and patronage of either European or native armies.

XII. The boundaries of military divisions and districts to correspond as far as possible with those of the different civil governments. This measure would involve some readjustment of the garrison of the Central Provinces, which is now supplied by two separate armies.

XIII. Each army to be recruited only in the country which it occupies. Each regiment to have, as far as possible, a separate recruiting district, and one of its battalions to be always stationed there. Men of different castes and religions to be kept in separate regiments or battalions.

XIV. The commissioned ranks of the army to be opened to natives.

BOOK V.

PUBLIC WORKS.

CHAPTER XIX.

ROADS.

CHAP. XIX.

Technical meaning of term 'Public Works' in India.

IN India the term 'Public Works' has always been applied to every kind of building operations undertaken by the Government, and includes therefore the construction and repairs of all state buildings, civil and military, as well as the prosecution of roads, railways, and irrigation works. Until within the last twenty years, indeed, the operations of the Indian Government were confined almost wholly to works of the former category, which were public works only in the sense of not being private ones; while the greater part of the state expenditure under this head was incurred in the maintenance of the barracks and subsidiary buildings required for the European garrison of the country. The native troops built their own dwelling huts, and the only buildings required for native regiments were the hospitals and magazines. The civil buildings of the country were mainly the various district court-houses, and the maintenance of these unpretending edifices formed but a trifling item in the whole expenditure. In the Madras and Bombay Presidencies, the tanks which from time immemorial have supplied irrigation to the cultivators of the soil, were repaired and superintended by the State; and the maintenance of the

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extensive system of dykes or embankments, which protect the Gangetic delta from the sea, and from the floods of the great rivers discharging into the head of the Bay of Bengal, was also undertaken by the Government, the landholders interested defraying a portion of the expense. But the bulk of the charges incurred under the head 'public works' was, as above stated, for repairs to military buildings, and the department charged with the duty was not unnaturally deemed to be a civil department of the army, and was placed under the superintendence of the Military Board at each of the three presidencies, a body composed of the heads of the different civil departments of the army.

Want of roads in India formerly. Traffic how far affected by it.

India was at this time destitute of roads, and journeys could be made only on horseback or in a palanquin. The facilities for travelling were not, however, altogether so bad as might be inferred from the analogy of European countries. In a climate where the rainfall is limited almost entirely to one season of the year, and in a country the greater part of which is a flat plain, the absence of well-made roads, or of roads of any kind, does not produce the extreme inconvenience that it would occasion in temperate regions. For three months of the year all travelling is suspended, but during the remainder it goes on uninterruptedly. The large rivers are crossed by ferries; the small ones are either dry or can be easily forded. Any track serves for a road, and the worst inconvenience that occurs is the tediousness of the journey to the traveller, and the costliness of transporting merchandise on an unmetalled (unmacadamised) road.

Its effect on Indian military system.

In a military point of view this state of things had even its advantages. The want of roads taught Indian armies how to do without them. The whole system of military transport and supply being necessarily adapted to a roadless country, the ordinary requirements under this head during peace differed in no material degree from the requirements of a time of war. All the subsidiary military

establishments were framed on a scale and plan to admit of the troops moving readily across country in any direction; and when regiments were transferred from one station to another in ordinary course of relief, they took the field just as completely as if they were about to enter on a campaign. Thus to pass from a state of peace to that of war involved no change of system; the ordinary business of peace time constituted in fact a regular training for campaigning; and on the breaking out of war nothing had to be improvised, and the troops took the field without difficulty or confusion. This explains the extraordinary promptitude with which the wars of the Indian Army have been so frequently entered on. The remarkable efficiency of the Indian commissariat is, no doubt, to be ascribed in great measure to the same cause.*

First progress in road-making.

These facts serve in some measure to explain the complacency with which the older school of Indian statesmen —of whom Lord Metcalfe was a notable example—regarded the absence of any progress towards the improvement of the country. The first beginning in this way may be referred to the administration of Mr. Thomason, Lieutenant-Governor of the North-West Provinces from 1843 to 1853. That country is peculiarly adapted for the construction of roads, from the dryness of the climate, its flatness, and the excellence and cheapness of the material for a road surface to be found throughout its extent; and, through the influence and exertions of Mr. Thomason, considerable progress was made during his

* Not the least important part of the training which this rough-and-ready system afforded, was the practice in marching which the troops obtained in the course of the annual reliefs. A regiment often spent three or four months, moving at the rate of twelve or fifteen miles a day, in passing from one station to another, and at the end of the march the men were in the highest possible condition for entering on a campaign. With the introduction of railways, these long marches became of course unnecessary, but with their discontinuance a good deal of that homeliness and familiarity with camp life must be lost, which Indian troops, native and European, have hitherto exhibited.

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term of office towards the construction of metalled roads to connect the different large cities throughout his jurisdiction. About the same time a trunk road was commenced to connect Calcutta with the Upper Provinces, and was carried on with great rapidity, so far as regards the formation of the roadway, although at a great loss of life among the convict labourers who were employed. The bridging somewhat lagged behind (even now it is not completed), and the road was not available for horsed carriages until 1850, when mail-carts began to run between Calcutta and Delhi. But the first great impetus was given to road-making in India, and public works generally, on the annexation of the Punjab. The development of this province occupied the particular attention of Lord Dalhousie, who, both on military grounds, and in view to its general improvement, at once prescribed a course of vigorous action. A special engineer department for undertaking road and irrigation works was established for this province, unconnected with the Bengal Military Board, and, a singularly fortunate selection being made for the head of it,* the progress made soon placed the Punjab in this respect on a level with all, and in advance of most other parts of the country.

Lord Dalhousie's reform in organisation of Public Works Department.

Up to this time the presidential system had full sway in the arrangements of the Public Works Department, which was divided into three branches, to correspond with the three Indian armies; and except in the Madras and Bombay Presidencies, where the limits of the civil and military administration were coextensive, the various civil governments had no share in the control of the departmental operations carried out in their respective provinces, which were conducted directly by the Government of India, through the agency of the Bengal Military Board.

In 1854 an important reform was effected, under Lord

* The first Chief Engineer of the Punjab, from 1848 to 1856, was Lieutenant-Colonel Napier, now Lord Napier of Magdala.

Dalhousie's administration, by the removal of the management of public works from the Military Board, and the formation of a separate department (or secretariat) of the Supreme Government for conducting the business connected with them. Simultaneously with this change, the immediate executive control of the public works was transferred from the supreme to the subordinate administrations, and a Public Works Department was formed for each province. This example was shortly followed in Madras* and Bombay, by removing public works affairs from the control of the local Military Boards, and constituting them a part of the business of the civil administration. From this time great and steady progress has been made in the prosecution of works throughout the country, and an annually increasing grant of public money has been provided on this account. In 1849–50 the State expenditure in India on public works of all kinds was about 600,000*l.*, of which 122,000*l.* was for roads; the grant provided for 1870–71 amounts to nearly seven and a half millions sterling.

Executive agency.

A Chief Engineer is placed at the head of the Public Works Department in each province, who is also secretary to the provincial government. Under him are the Superintending Engineers of Circles, while the actual execution of work is conducted by the next grade of officers, styled Executive Engineers, aided by Assistant Engineers, with a staff of subordinates. As a rule the same engineer carries out all the works, whether of roads or buildings, within his district or division; but the large military stations usually afford each sufficient occupation for the undivided attention of an officer in this grade; and the more important lines of road are also made special charges, divided into sections of convenient length. Irrigation works also are seldom if ever included in the same

* The management of irrigation works in Madras had been for some years vested in the Board of Revenue. A separate department was now organised for all public works.

executive divisions with other descriptions of work; there is in most provinces a second chief-engineer for irrigation works, and the tendency of things is towards an entire separation of the two branches of the service. The staff of the new state railways lately begun is also organised separately from the rest of the department.

Staff of Department.

The staff of the department is derived from four principal sources. I. Officers of the Corps of Engineers. The greater part of the old corps of Indian [now Royal] Engineers has always been employed during time of peace in this manner; the rest have been chiefly attached to the survey department, only a few being engaged on regimental duty with the corps of Native Sappers. II. But the strength of the Engineer Corps having from earliest times been insufficient for the duties placed on it, the deficiency was supplied by officers from other branches of the Indian Army, which have furnished some of the most distinguished of the hydraulic engineers in that country. Of late years a very complete professional test has been established for regulating their admission to the department, which practically involves that the candidate should first undergo a two years' course of study in engineering and surveying at the Roorkee College, established by Government in 1847. III. The same college furnishes a suply of civil engineers to the department; the candidates—many of whom are sons of officers and other members of the Indian service, while some are natives—besides the professional test, are required to pass an examination in the subjects of general education, of the same kind as that laid down for admission to the British Army. Another government civil engineering college was established at Calcutta in 1856, from which a good many civil engineers, principally natives of Bengal, have been supplied. There is a similar institution at Madras. IV. Of late years a number of young civil engineers have been sent out annually by the Secretary of State; these are nominally selected by competitive exami-

nation, but inasmuch as the number of candidates who could pass the prescribed minimum standard (which was not far short of that established at Roorkee) has been usually less than the number of appointments offered, the test is virtually that of a pass examination. V. Besides these sources of supply, the demands of the service arising from the rapid extension of public works have led to the direct appointment to the department of a great many civil engineers, some from the various Indian railways, others selected and sent out from England by the Secretary of State. The subordinate branches of the department are filled by both natives and Europeans; the latter enter it chiefly from the ranks of the British Army serving in India.

Distribution of public works outlay.

The expenditure on public works in India during the last ten years has been as follows:—

1860-61	£4,164,654
1861-62	4,742,183
1862-63	4,128,901
1863-64	4,786,726
1864-65	5,183,302
1865-66	4,944,674
1866-67	5,533,115
1867-68	6,195,399
1868-69	7,430,742
1869-70	7,760,050
1870-71 (Estimate) . .	7,475,560

But as has already been explained, the term 'public works' is used in a technical sense, to denote all works of construction and repairs undertaken by the State; and it will readily be understood that a considerable deduction must be made from the total expenditure on this account, for outlay on the different civil and military buildings, to arrive at the sum spent on the actual improvement of the country. To take for example the year 1868-69, the public works expenditure was composed of the following items:—

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Military works (chiefly new barracks) . .	£2,724,002
Civil buildings	1,029,660
Roads, irrigation, and other works of public improvement	3,172,558
Railways	504,522
	£7,430,742

so that about $3\frac{3}{4}$ millions was spent on State works connected with the business of administration, and a little less than that sum for public works proper. But to this must be added 1,700,000*l.* disbursed for guaranteed interest on the paid-up capital of the joint stock railways, so that the total outlay on public works, direct and indirect, omitting that connected with the service of the State, amounted in this year to 5,377,000*l.*

Outlay how provided.

Up to the year 1867–68 the public works expenditure was provided for out of the ordinary revenues of the year, or if there was a deficit as usually happened, it arose on the total finances of the country, and the loans raised to cover it have been raised to supplement the ways and means of the country generally, and not specifically as loans for public works, although it is certainly the case that the deficit would in most cases not have occurred if this public works expenditure had not been undertaken. But from the beginning of the year 1868–69 it has been determined to provide specifically by loans for the capital expenditure on remunerative works, leaving the rest only to be met from the ordinary revenues of the year. Under this arrangement military and civil buildings, the construction and repair of roads, the maintenance of existing irrigation works and the construction of such new ones as although necessary are not likely to be directly remunerative, are provided for out of what is termed the 'ordinary' grant. This grant also provides for the State outlay on guaranteed railways, arising chiefly for the land taken up by them and for the Government controlling establishments. The construction of such new irrigation works as are expected to prove directly remunerative to the extent of defraying the interest on the public debt incurred on

their behalf, and of the railways which are now in course of being undertaken directly by Government agency, are defrayed from the 'extraordinary' grant provided out of loans. The grants for the current year (1870–71) are under these conditions distributed as follows:—

	£	
Ordinary grant—[from revenue]		
Military works	1,488,208	
Civil buildings	710,179	
Irrigation works and embankments .	656,453	
Roads and miscellaneous works of public improvement	1,143,560	
Outlay connected with guaranteed railways	359,860	
		4,358,260
Extraordinary grant—[from loans]		
Irrigation works	1,732,500	
State railways	1,229,800	
Other works of public improvement .	155,000	
		3,117,300
Total		£7,475,560

Outlay on roads.

Of the total public works expenditure during the five years ending with 1868–69, the sum laid out on roads has been 7,600,000*l.*, of which 2,700,000*l.* was appropriated to the maintenance of existing roads, and 4,900,000*l.* to the construction of new ones. A good road costs about 1,200*l.* a mile, so at that rate 800 miles of road should be completed every year, but a much greater length is usually in progress at one time. Nor would it always be desirable to concentrate the expenditure to the fullest extent possible. The money being collected by imperial taxation from the whole of India, there is a strong obligation felt to distribute the grants among the different governments, so that the tax-payers may share more or less equally in the produce of taxation, and the same feeling operates further to disseminate the contribution made to each province, in view to satisfying the claims arising from its various parts. This dispersion may be and no doubt often is carried too far, to the extent of the available funds being frittered away upon a variety of works, without appreciable progress

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being made in any; but within proper limits the money is more usefully applied in this way, to the gradual construction and completion of roads over a great extent of country, than by a concentration of expenditure in order to bridge and metal shorter lengths completely. The cost of bridges over Indian rivers is in many cases out of proportion to the benefit derived from them. For the greater part of the year an Indian river is not a formidable obstacle to traffic, while during the rainy season the body of water brought down by it is so great, and the current so violent, that only a very substantial structure will stand. A bridge to carry traffic of any kind thus becomes almost as expensive as one which would suffice for a first-class railway; and the same money laid out in less expensive works, that is, in earth-work and surface covering, will usually produce a much more useful result. These considerations will serve to explain that the unfinished appearance of many Indian roads, where the traveller, after a course of many miles over a well-made line, suddenly arrives at the bank of an unbridged river, does not necessarily denote a want of foresight or good management. Not indeed that these gaps are always left intentionally. It has unquestionably been too much the fashion heretofore among the provincial governments to undertake schemes for new roads on too extensive a scale, and without due provision for completing them; while road projects have sometimes been set in progress to carry out the views of one governor which have not been followed up by his successor. The rapid course of change always taking place in the higher ranks of the Indian official world necessarily militates against a steady persistence in one definite course of policy, in every department; and this evil is especially manifest in the matter of public works, from the want of a minister distinctly responsible for the general direction of this important branch of public affairs.

Difficulties of Indian road-making.

On the other hand there are certain main lines on

which the extent of the traffic, and the necessity on political grounds for maintaining perfect communication at all seasons of the year, may render it desirable to complete the road regardless of cost. But the main political and strategic lines will in course of time be occupied by railways, and roads will then be principally required as feeders to them; and for this purpose first-class communications will usually not be necessary. The goods traffic of the country, which consists mainly of the export of cotton and other agricultural produce, takes place after the harvest at a season when the rivers are mostly dried up, while for the great majority of the travellers—the natives of the country—extended facilities for slow travelling in every direction are more needed in the present state of things than a few perfect lines; and to meet these requirements most beneficially, the outlay will be directed in the first instance to making fair-weather roads. Bridges will be regarded as supplementary works to be provided subsequently and by degrees, the smaller streams being bridged first, and the larger rivers left to be crossed by fords or ferries, till the expansion of traffic and the progress of the country justify a large outlay of the general revenues on specific localities.

Comparative advantages of roads and railroads.

Further, in many parts of the country the great cost of road-making indicates the propriety of constructing railways in the first instance on all lines of importance, instead of beginning with roads and following up with railways. This is especially the case in Bengal, from the magnitude of its rivers and the want of proper materials for road-making. Persons whose experience is confined to Europe may find it difficult even to conceive a perfectly flat country, extending for several hundred miles in every direction, and where there is not so much as a pebble to be found throughout its whole extent. Such is Bengal. Stone if used must be brought from enormous distances, and the only possible substitute for it as a road surface is the expensive and imperfect one of broken

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bricks.* The difference in cost between a railroad and what at best will be a very imperfect road would therefore merely arise from the addition of sleepers and rails. There is no question of tunnels, cuttings, or gradients in this country, and the embankment which serves for the road would do equally for the railway. It is indeed often forgotten when comparing the cost of the two things, how much of the expenditure for a railway is due to provision for carrying the travellers, whereas the travellers on a road find their own conveyances; but the extra cost due to this cause should be more than covered by the receipts realised from traffic. Now a first-class road in Bengal may be estimated at fully 1,500*l.* a mile to construct, and 75*l.* a mile per annum to maintain, and so represents a charge on the State of 150*l.* a year, for which no direct return would be received. If then a cheap railway could be made for 3,000*l.* a mile, which represents at 5 per cent. an annual charge of 150*l.*, it would not be a heavier charge on the finances than the road, provided the traffic receipts merely covered its working expenses; the benefit to the community would be incomparably greater. Possibly a railway of any kind could not be made for this sum; the data for an accurate estimate are wanting, as no complete first-class road has yet been constructed across the plains of Bengal; but if a railway would cost more, so would a road, and the difference in cost would in either case consist merely in the supply of rails and the means for keeping them in place. The rolling stock and stations are provided for the traffic, and should in this comparison be left out of account. And if the cost of the rails could be kept down to 2,000*l.* a mile, this represents an annual charge of 100*l.*, which is little more than that for maintaining the road.

Canals preferable to roads in some parts.

There are many parts moreover where the needful communications may be supplied more cheaply and effectively

* The roads of Calcutta are macadamised with stones brought as ballast by ships visiting the port.

by canals or river improvements than by roads. This is especially the case in Bengal, which has been bountifully furnished with the means of internal communication in its numerous rivers and tidal channels, but for which the present great trade of that country would have no existence; and money would probably be much more effectively spent in improving these natural highways than in attempting to surmount the difficulties which they present to the construction of roads. On the line from Calcutta to Madras, for example, no amount of expenditure in reason will suffice to make a first-class road accessible in all weathers, for the line crosses the whole drainage of the country and numerous great rivers, and the large sums already spent in this project have produced little or no useful effect. But the numerous rivers that are crossed, and which are too large to admit of being bridged, would serve as most useful feeders for a canal between the two places, while the features of the country are in all other respects most favourable for the construction of that class of works. And a canal connecting the two places is now in course of being gradually carried out.

Canal navigation in Northern India.

The extensive irrigation canals of Northern India, running as they do through a highly populated country, are very favourable situated for the development of an extensive navigation, but the use made of them for this purpose has so far been quite insignificant. The rapid current of these artificial rivers renders haulage against the stream expensive and slow, while in the desire to keep down the first cost of the undertaking the works connected with the navigation were constructed on an insufficient scale. The locks are too small to admit steamers of any power, and the bridges are not high enough to admit the passage of large or heavily-laden boats. These defects of construction are being gradually remedied, but the attention of the canal administration has hitherto been given almost exclusively to the exten-

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sion of irrigation, and the result presented by these extensive works in the way of navigation has so far been disappointing.

Magnitude of task of supplying India with roads.

But when everything has been done that can be in the way of cheap railways and canals, the task that will still remain to be undertaken in the construction of common roads is sufficiently onerous. The completion of railroads, so far from obviating the necessity for roads, only serves to make the want of a sufficient number of feeders to the former more distinctly felt. Now the railway system at present projected contemplates the construction of 30,000 miles of line, and it will be a moderate estimate to put down the roads absolutely necessary to supplement the system at four times that amount. At the present rate of progress these would take more than a hundred years to carry out. But not only does the construction of roads demand a continued outlay; every completed work involves a fresh and permanent charge for maintenance. This may be set down at 50*l.* a mile per annum, so that an outlay of the amount heretofore appropriated to the purpose would in a short time be absorbed wholly in maintenance, and nothing would remain for the extension of new roads.

Financial importance of subject.

These considerations serve to indicate the great importance which the supply of funds for road-making assumes in Indian finance. The prospective obligations before the government for supplying a reasonably fair extent of feeders to the projected railways involve a probable outlay of one hundred millions sterling for construction, and a final permanent charge of at least six millions a year in maintenance of roads. It is evident that so large an expenditure cannot be provided out of the revenues of the year, while there are obvious objections to covering an outlay of this kind which is not directly remunerative by means of loans. Roads certainly augment the wealth of the country, and therefore its ability to pay taxes, while the distinction so often employed between remune-

rative and unremunerative works is in some respects more apparent than real. The fact that a direct return is obtained from carrying passengers on railroads, while travellers on common roads arrange for their own transport, is obviously not alone a sufficient ground for basing the distinction on. A railroad may pay its working expenses, yet return no interest on the capital sunk, or less than the interest paid on it if borrowed; this is the condition of most of the Indian lines at the present day. Further, the traffic on a railway must depend in great measure on the facilities of access to it afforded by roads. It is quite impossible to distinguish between the amount of traffic due to the construction of the railway itself, and that brought to it by its road feeders; and therefore to resolve that railways should be regarded as remunerative works and carried out by loans, while the progress of roads should be suspended for want of funds, would be a quite irrational policy. Yet this it might be thought is the apparent course which has now been entered on. For whereas heretofore the annual expenditure on roads has been determined arbitrarily at a figure which should suffice to give a fair rate of progress, the outlay thus going to form part of the deficit of the year, and in effect being carried out by loans, it has now been determined that while railways shall be deemed to be remunerative works, and provided for by loan, the expenditure on roads shall be regulated by the amount of surplus revenue available each year, after the demands for military and civil buildings have been provided for. This ruling has led to a sudden reduction of the expenditure on roads of from 900,000*l.* to less than 400,000*l.* a year; and at this rate the grants will soon be little more than sufficient to maintain the roads already made in order.

Proposal to transfer the charge

What, however, is really indicated by the determination is a radical change of financial policy. The time has come for the Supreme Government to get rid of some

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for road-making to provincial revenues.

part of the burden of the ever-increasing business of administration, and the transfer to the provincial governments of the charge of roads throughout the country, and the obligation to find means for maintaining them, is a very suitable thing to begin with. The task of maintaining the communications of the country was easy enough so long as these were limited to a few military lines, but the business is now fast passing beyond the managing powers of the central government, whether administrative or financial, and the declaration lately made on this subject by that authority may be hailed as the first step towards a policy of decentralisation and local taxation, the general principles of which have been advocated in my third chapter.* For what is of course contemplated by this sudden reduction of the grants for roads is not that the rate of progress should be relaxed, but that provincial revenues should be raised for supplementing the imperial. The latter have sufficed to construct the main lines of road throughout India, and will still continue to be applied in extending them through the poorer districts. But local taxation must now be provided for the further development of roads throughout the country, and the richer provinces, where in fact the need for communications is greatest, will be able to retain for their own use the local revenues raised from them. As a beginning towards investing the provincial governments in some degree with that financial responsibility which they are now wholly without, and breaking up that uniformity in taxation which I conceive to be a grave political defect of our present financial system, this contraction of the imperial expenditure for roads may serve to bring about a valuable reform.

Existing local funds.

The nucleus of such a system of provincial public works is already to be found in the existing local funds. In most provinces a cess is levied by law of one per cent. on the land revenue, which for all India would give

* See also Chapter XXII.

about 200,000*l.* a year, but these sums must be spent within the respective districts where they are raised. In some provinces there is a more considerable fund derived from the tolls at ferries, which is applicable to works in any part of the province. The aggregate of the local funds in India available for public works is about one and a half million a year.

CHAPTER XX.

RAILWAYS AND THE GUARANTEE SYSTEM.

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Limits of subject proposed.

It will be as well to state at the outset of this chapter that it does not contain any descriptive account of the railways undertaken in India. Information on this head is already to be found in a very complete form, in the lucid annual reports of the Government Director of Indian Railway Companies, published by the India Office. The present chapter will be limited to considering the nature of the guarantee system under which these works are carried out.

The guarantee system.

All Indian railways have, up to the present time, been undertaken by joint-stock companies, working with the aid and support of the State. The Indian Government provides all necessary land free of cost to the company, and guarantees a certain minimum rate of interest—usually five per cent.—on the capital paid up from the first commencement of the undertaking, recouping itself by the net earnings of the company, which are paid into the State treasury. So long as these earnings do not exceed five per cent. on the paid-up capital, the whole of them are retained by the Government. Any excess above that rate realised in any half-year is divided between the shareholders and the Government, the moiety received by the latter being applied in liquidation of the interest on capital already advanced to the shareholders. The sum to be thus recovered from the company is the aggregate of the half-yearly dividends paid on their capital from the first commencement of the undertaking, together with

simple interest thereon, calculated at five per cent. So soon as this debt shall be cleared off, the whole net earnings will be received by the shareholders.

State outlay on railways arising out of exchange operations.

Another considerable charge has fallen on the State revenues, arising out of the terms of the agreement made with the companies for remitting their capital to India. It was provided that the capital raised in England (which constitutes all but a very inconsiderable fraction of the whole) should be paid in to the credit of the Home Government of India at the Bank of England, and that the agents of the companies in India should draw on the government treasuries in that country for the amount, at the rate of one shilling and tenpence per rupee. The accounts between the Indian Government and India Office being adjusted at the rate of two shillings per rupee, it follows that a charge of twopence on every twenty-two pence, or more than nine per cent., is incurred by the State on all the withdrawals of the railway companies of capital from the Indian treasuries. On the other hand, all the railway net traffic receipts being credited to the companies in London only at the same rate of 1*s.* 10*d.*, it follows that so soon as the net traffic receipts realised half-yearly in India exceed the outlay of capital in course of being incurred on new works, this difference in the rate of exchange will become a source of revenue.

Revenue derived from same cause.

It may be remembered that the question was rather warmly discussed a few years ago, whether this difference in the rate of exchange did really occasion any charge on the State, one party arguing that the charge was only nominal, and should not appear in the public accounts. But clearly the point should not admit of question. The Secretary of State is ordinarily placed in funds for home expenditure by money supplied from India, and that expenditure is charged in the Indian accounts at 2*s.* the rupee. When railway capital is paid up in London, the remittances of the Indian Government are *pro tanto* diminished. But for every 1*s.* 10*d.* paid up by the

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company in London, the Secretary of State only credits the Indian Government with a fraction of a rupee, whereas the railway company are entitled to draw a whole rupee in India in lieu thereof. Or, which is the same thing, when the Indian Government pays the railway company its rupee, it debits the Secretary of State with only 1*s.* 10*d.*, and thus cancels the corresponding credit afforded by the latter; the remaining 2*d.* obviously forms an actual disbursement, which must be shown as such in the Indian accounts. It may perhaps be argued, that the adjustment between the Indian and English accounts at the rate of 2*s.* the rupee partakes of an arbitrary character, and that the loss on railway exchange is thus artificially created. And no doubt the remittances from India to England above referred to do not actually take place. The India Office really obtains its funds by the sale of bills on the Indian Government, and were the railway capital not thus paid up, the drafts of the former on India would be correspondingly increased. But the rate of exchange on India has usually of late years been much more than 1*s.* 10*d.*, so that in effect what takes place is this, that the India Office sells its drafts on India to the railway companies at a lower than the market rate. Even from this point of view there is clearly a loss, which cannot properly be omitted from the public accounts.

Railway outlay, a final charge on the State.

It thus appears that, irrespective of the cost of land, these guaranteed railways will continue to be a source of annual State expenditure until the aggregate net earnings exceed five per cent. on the paid-up capital; and since this can hardly be the case so long as extensive new works continue in progress, the time when the charge is likely to cease is yet far distant.* It will be apparent moreover, on consideration, that the eventual recovery of the State outlay is extremely problematical, and can only take

* The charge for the current year (1870–71) on this head, *viz.*, guaranteed interest less net traffic receipts, is estimated at about 1,700,000*l.*; the total charges since railways were first undertaken in India have amounted to nearly fourteen millions.

place with lines paying very high dividends. The return to the State will practically be derived from the adjustment in the rate of exchange. And as this mode of recovery will be permanently in force, it will be perceived that so soon as the aggregate net receipts of a railway from the date of its first opening exceed the cost of construction, a profit will have accrued to the State from this source.

Control exercised over railway companies.

In return for the aid thus afforded, the Indian Government exercises, under the contract made with each company, a complete control over all its proceedings; the previous sanction of Government is necessary to all expenditure, whether for work or establishments, and the accounts are finally audited by government officials. The only point in which free action is reserved to the company is in the appointment of its officers. The various posts to be filled having been sanctioned by the Government, and the rates of salary determined, the selection of persons to fill them is made by the company, with whom rests also the power of promotion and dismissal.

The affairs of each company in England are managed as usual by a board of directors; their affairs in India are conducted by an agent, to whom all the officers of the company in that country are subordinate. The control of the Government is exercised, in England, by means of an officer, styled 'Government Director,' who has a seat at the board of each railway company, and a power of veto over their proceedings; in India, by means of an officer styled 'Consulting Engineer to Government,' who is the channel of communication between the agent of the company and the Government, whose approval is necessary to all undertakings and outlay entered upon by the company, and who has a complete power of supervision and control over all proceedings. The provisions of the contract are indeed most stringent in every case; and, besides specifying in detail what particular points are to be determined by Government, such as the direction of the line, the gauge and weight of rail, the locality of the

Terms of the contract.

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stations, and the buildings and arrangements to be provided at each, the number of trains to be run, and the times for running them, as well as the fares to be levied: it also provides in general terms that the railway company and their officers, servants and agents, and also their accounts and affairs, shall in all things be subject to the supervision and control of the Indian Government, or the officers appointed on its behalf; and the latter are to be afforded full access to all the records, accounts, and proceedings of the company, save only communications between the company and its legal advisers, which for obvious reasons are allowed to be confidential.

Contract partially inoperative.

So far, therefore, as specific assertion of authority goes, the proceedings of the railway companies are as completely under the control of the Government as are the proceedings of its own officials. The contract places the power in the hands of the party which has assumed the whole risk of the undertaking. In practice, however, the case is very different. An expenditure has been incurred on some railways far exceeding what was anticipated, or what is now believed to have been necessary, and this notwithstanding the desire of the Government that they should be constructed with the greatest economy possible; nor has the Government been able to prevent some lines being executed of indifferent workmanship, nor the accounts of a line falling into almost inextricable confusion. The result has been that the Indian revenues are charged permanently—for practically this is the final incidence of such charges—with an expenditure which, with present experience, it may be safely asserted should not and need not have been incurred.

Cause of this.

The cause for this unsatisfactory result is not far to look for. The system contemplated by the contract presumes that all business shall be initiated by the officials of the railway company, and where the initiation of affairs lies, there is substantially the power for good or ill. Authority to supervise and withhold sanctions is not sufficient for

effective control. The power of veto cannot in practice be perpetually called into requisition.

As regards business in England, it must of course be impossible for the single government official sitting on the boards of nearly a dozen companies to guide their policy and proceedings. Nor does such a thing appear to have been contemplated. It is in India that the business of the companies is really conducted, and there the government officials are more numerous; but the same relation of things is to be found. There is usually a consulting engineer to each province which is concerned in railway undertakings, but he may have the supervision of more than one line; and when the same railway intersects more than one province, one officer acts as consulting engineer for the whole line. It need hardly be said that were an officer in this position, with the limited staff at his disposal, to insist on all the affairs of the company in its various departments being laid before him, in sufficient detail to admit of their being thoroughly dealt with, in the same way as they come before the numerous officials of the company in their various departments, business would come to a dead lock. The consulting engineer can obviously only superintend the affairs of the company in a general way, and this sort of general supervision experience has shown to be an insufficient substitute for an efficient control.

Defects of the guarantee system. Responsibility of shareholders and their agents weakened;

On the other hand, even the ordinary motive to economy on the side of the company, the necessity for obtaining a dividend, is here altogether wanting. Much stress need not be laid on this point, perhaps, because this motive has been found quite ineffectual even in those cases where it might have been expected to operate most powerfully. It needs hardly be observed, in these days, that the interest of shareholders in the success of their undertaking is no index of the influence they will exert to procure success; that shareholders, in short, are as a body quite powerless for influence of any kind in the concerns of

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their companies. Nor needs it be observed that the interests of directors of companies are not necessarily identical with those of the shareholders. But, however that may be elsewhere, here at any rate the desire for economy is lulled to rest by the certainty of the guaranteed interest. In the case of many of the Indian lines, the prospect of getting more than the five per cent., even by the most stringent economy, is at best extremely doubtful, while all the motives ordinarily tending to oppose economy, which need not be particularly referred to, are in as full operation here as elsewhere. The control of the direction sitting in London over its officers in India must obviously be much less effectual than that exercised by the direction of any railway in England; while the power of control possessed by Government, incomplete as it must necessarily be, certainly relieves the officials of the company to a great extent from responsibility for results. This responsibility is virtually transferred to the Government, which bears also in effect the burden of the outlay. Here, then, is a double government of the most defective sort; the virtual power, and especially the patronage to all appointments of the personal staff—on the proper administration of which the success of the undertaking is perhaps more than anything dependent—resting with a distant body whose sense of responsibility is dulled by the absence of risk, and whose power of control is weakened by distance; while the authority on the spot, whose interest is most deeply involved in economy and good management, and which is in a position to afford a really effective supervision, is confined to the negative action of giving advice and vetoing proposals. The weakest point in the system is perhaps the want of control possessed by the Government over the *personnel* of the railway companies. The Government can object to their proceedings, but it cannot object to their men. It needs hardly be said that in India especially the success of measures depends in great degree on the character of the agency

while control of the Government is insufficient for the purpose;

employed; but while the Government has vastly better means of ascertaining the relative merits and fitness of the various railway officials employed in India than the distant board possesses, it is hampered in its railway administration, under present arrangements, much in the same way that its general administration of the country would be, were all Indian patronage and promotion of Indian officials retained by the India Office. The result of these false relations between the two parties to the contract, is manifested in the attitude not unfrequently assumed by the officials of the companies. It seems often to be supposed by them, not only that the shareholders have a greater interest in the concerns of the railway than the Government, a notion utterly fallacious, but that the interests of the two are in some way antagonistic, and that their duty to the former requires them to oppose the views and wishes of the latter. This feeling of antagonism is perhaps an unavoidable consequence of the mode in which the government control is necessarily applied. An office whose functions are limited to criticism and objections—and this is the only way that the government control can at present be exercised—must perforce operate to create a feeling of irritation on the part of the recipients. That the relations between the consulting engineers and the railway officials have often been marked by the exhibition of this feeling it would be false delicacy not to admit. It is impossible that it should not exist; and that the present plan works at all, and does not utterly break down in practice, is due to the good sense, temper, and public spirit which are ordinarily brought to the matter by both sides.

even when exerted to the best advantage.

It is but fair to add that the experience of twenty years has pointed out how the friction of the system can be reduced to a minimum, and that at the present day the government control is exercised in a much more satisfactory and effective way than was formerly the case.

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It is now usual for the consulting engineer to be present at the periodical meetings between the local agent and the heads of the different executive departments—chief engineer, traffic manager, locomotive superintendent, storekeeper, &c.—when all matters requiring his sanction are brought up and formally sanctioned, the consulting engineer's signature to the minutes of the meetings representing the approval of the Government. This is a great improvement on the old plan of submitting all business requiring government sanction to the consulting engineer by letter. An equally great improvement has been carried out in the government audit of the accounts. Formerly schedules of expenditure, comparing the outlay with the sanctions, were rendered to the consulting engineer for audit; but there was nothing on the face of these to show how far they agreed with the entries in the books of the company, nor anything to prevent that expenditure irregularly incurred should not be withheld from being exhibited in the schedules. The audited expenditure might therefore be all in order, while the unaudited remained quite unchecked; and, as a not unnatural consequence, the latter gradually came to be, in the case of some companies, a very considerable part of the total disbursements. But under the audit system as now worked, a government examiner is attached to the accounts office of the railway company, who has complete access to the records, and checks the entries in the books day by day with the original vouchers. It is his duty to report at once any instances of irregular or unsanctioned disbursements, and especially to object to any unauthorised distribution of charges between capital and revenue. A periodical account is rendered, showing all the receipts and disbursements of the company, with the consumption of stores, distribution of establishment charges, and so forth, which is vouched by the examiner; when the account is at once audited, and the amount shown to be chargeable to capital and revenue respectively

is passed to those heads in the government books. And it may not be out of place to observe that by an audit and inspection of a similar kind, carried out by officers entirely independent of the company, would possibly be supplied the want so keenly felt at the present time by the shareholders of English railway companies. In this way their interests might be adequately protected, without undue interference with the executive management. It it not only that such a system provides for at once bringing irregularities to light; when publicity is certain to attend them, irregularities will not occur.

Defects of system still greater in case of completed lines than of those under construction;

As regards Indian railways, however, this system of control, even when worked at its best, with all the aid of good-will and tact on both sides, is yet but a poor substitute for the effective control that would be exercised, were the management of the railways assumed directly by the State. And if the double government be unsatisfactory during the first construction of a railway, it will be still more so in the management of completed lines. The interest of the shareholders in the cause of economy still continues to be comparatively small; while, so far as they are exerted at all, it is then that their views, and those of their agents, come most directly into opposition with the wishes of the public as represented by the State. The interest of the former is to obtain the maximum of return with the minimum of traffic; of the latter to produce the same returns by the lowest possible rates of fares. And here the State is powerless for action. It can prohibit the increase of fares beyond a certain amount, but it cannot cause them to be lowered. It can object to a proposal for running a particular train, but it cannot require the company to run additional trains.

and will become still more apparent on further

Further, up to the present time each line of railway has been an isolated undertaking. But railway construction in India is now in an early stage of progress; and as the lines are extended and joined with each other, their

BOOK V. development of railways.

diverse interests will come in contact, and the need for an effective central control, to secure uniformity of system and mutual accommodation, will be still more plainly felt than it is even now. And already it has become apparent how insufficient are the government powers for the purpose. Two railways, for example, have their termini at Calcutta, and every consideration of convenience points to a junction at that place. But this involves some alterations of the terminal works of one or both lines, and the construction of a bridge over the Hooghly; and several years have been spent in fruitless discussion on the matter, the shareholders and their representatives declining to come to an agreement. And it has been proposed, as the only way of getting over the difficulty, to form a third company, for bridging the Hooghly and carrying out the other needful works. The Government cannot make the old companies undertake new works, involving additional capital; but when the capital of the new company is raised, it can be employed only on works approved by the Government, and in this way the desired improvements might be accomplished. When it is remembered that, in any case, the capital is to all intents and purposes actually raised by the Government, this affair has almost a ludicrous aspect. But such difficulties must be expected to be of frequent occurrence as railways are extended. In England the want of concert between the different railway companies in their traffic arrangements is felt to be sufficiently vexatious, but then this is merely one of the evils to be set against the vast benefits conferred by private enterprise. But private enterprise there is none in Indian railway undertakings. No more capital is obtained by employing different companies, than could be obtained were only one company to be employed, or had the agency of companies been entirely dispensed with. In fact it may be said that all these difficulties are purely of artificial creation.

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Efforts made of late years to amend guarantee system,

It seems needless to press the evils of the guarantee system further. They have long been apparent to all acquainted with the subject, and the Indian Government was so sensible of the defects inherent in the system, especially in the tendency which it evoked to extravagance of outlay and consequent increase of the public burdens, that more than one effort has been made to depart from it. The late Lord Elgin, when Governor-General, took the opportunity of a public dinner given on the opening of the East Indian Railway to Benares, in 1862, to announce that the time had come for replacing the guarantee system by some method, under which, while railway enterprise should continue to receive the support of the State, a direct incentive should be held out to the shareholders and directors to the practice of economy and effective supervision. Accordingly, on the next occasion of proposals for a new line being brought forward, the projectors were informed that the Government were prepared to give—in addition to the needful land as usual—a bonus of 100*l.* per mile for twenty years on every mile of railway constructed. The total payments to be made would thus amount to 2,000*l.* a mile, or, in this particular case (where a cheap line was contemplated), about two-fifths of the whole cost. Regarding the bonus proposed as interest, it would have amounted to a payment of two per cent. on the estimated outlay for twenty years; so that, provided the shareholders could obtain a return of three per cent. from working the line, they were secured a fair rate of interest for their capital.

This proposed bonus, thus fixed arbitrarily at 100*l.* a mile, proved utterly insufficient to attract the needful capital. Whether a larger sum offered on similar terms would have sufficed for the purpose cannot now be told. It may however be presumed that if the offer of the Government had been gradually raised, a point would have been arrived at when the inducement held out would

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have become a sufficient attraction. But the bargain might then have been even worse for the State than that which it makes under the guarantee system. At any rate the experiment was not tried. Other devices with a similar object have been proposed, one of which certainly fulfilled the needful conditions of the case. This was that the Government should guarantee the amount of gross receipts, so that the net earnings, and consequently the dividend to be realised by the company would be directly dependent upon the manner in which the line was worked, and the first cost of construction. Here, then, the strongest inducement would have been offered to the company to practise economy and good management; while, so long as these conditions were satisfied, the shareholders would have been held safe from risk of loss, should the traffic on their line prove unremunerative. That such a plan should have been found quite ineffectual in its operation on the London market, shows that the shareholder class is sensible of the practical inefficiency of such motives for ensuring the desired results, and of its own inability to control effectually operations carried on in that distant country. And, after all, any arrangement such as this would have been at best a mere palliative of the evil. The State cannot escape from bearing the largest share of the burden, if railways are to be constructed in India, under any system that may be devised. The share might in this case have been less than before; but the relief would have been gained, in the case proposed, at the sacrifice of a great part of even the limited control which it exercises under the present system.

have proved ineffectual.

Guarantee system does not ensure best selection of lines to be undertaken.

There is another evil of the guarantee system which should be here pointed out—namely, that it does not ensure the selection of the most remunerative and useful lines, but that, in practice, the preference will usually be accorded to those of which the projectors urge their claims with most persistence. In the first instance, indeed, the great main lines of Indian railways to be primarily

constructed were marked out by Government during the administration of Lord Dalhousie; and as these were also incontestably the most promising undertakings of the kind, as mere speculations, no conflict of views arose regarding them. And the day is yet far distant when railway-making will be overdone in India, or when effectual competition will come into operation; each line has at present its own distinct area of country to act upon. But although it may be said that, so far, every railway constructed in India is in itself a desirable undertaking, yet already it may be asserted that they are not all of them absolutely the most advantageous that could have been selected; and this sort of diversion of capital from the best class of investments is likely to increase with the extension of railways, so long as the subscription of capital is dependent on the appearance of projectors coming forward to get up a company. At any rate, if the system were to continue, it would be necessary to modify so much of it as leaves the initiation of schemes to private individuals. It would be for the Government, henceforward, to determine what lines should be selected, and in what order they should be undertaken, and then to invite capitalists to form companies for carrying out the work.

No plan satisfactory short of direct assumption by Government of railway management.

But here the question has to be asked, why should resort be had to this cumbersome, roundabout process when the affair could be managed in so vastly more simple and convenient a manner, by the Government itself undertaking the construction and management of Indian railways? The truth is, that all these devices for bonuses, or guaranteed interest, or guaranteed traffic receipts, are merely transparent disguises of the fact, that Indian railways, under any form, are really government undertakings; and until this fact is distinctly recognised, a thoroughly satisfactory policy in regard to railway affairs appears to be impossible. The circumstance that the agency of joint-stock companies was employed by the

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Government of India on the first introduction of railways into that country, cannot be held to carry any weight in the present day. At that time joint-stock management was regarded on all sides as the perfection of mechanism; there were no limits to the capacity it was supposed to possess, for carrying out satisfactorily every description of business, and the efficiency of administration by government officials was just as unduly depreciated. Public opinion has changed since then, and even in England a proposal to transfer all railway property to the control of the State is deemed to be not undeserving of serious discussion. Here, however, enormous difficulties would have to be encountered in such a measure, from the much greater development of railway affairs; while among other objections may be named the difficulty of organising an agency on the scale adequate for managing so great a business, and the vastness of the debt to be created. But there is nothing of the kind to be encountered in dealing with the Indian railways. It would be merely a case of altering the mode of control, and rendering it more efficient; while the railway stock is already virtually a government debt, which would be lessened rather than increased by conversion into recognised government bonds. It may be safely asserted, that were Indian railways now about to be undertaken for the first time, with present lights, the employment of guaranteed companies would never have been seriously proposed. At any rate, that they were so employed, under ideas now qualified by subsequent expediency, affords no presumption for maintaining the practice.

But employment of joint-stock companies beneficial because ensuring continuous application of capital to work.

One very important qualification to the foregoing argument must, however, be here stated. The employment of joint-stock companies has involved the application of their capital to the purpose for which it was raised. Had the capital been borrowed directly by the Indian Government, it is hardly doubtful that, in times of financial difficulty, especially such as that which attended the mutiny of 1857, the money borrowed to make railways

would have been diverted to other purposes, more particularly when it is remembered how weak was the financial branch of the administration at that time. The progress of Indian railways would thus have been subject to constant checks, if not at times to total suspension; whereas, under the system pursued, progress has been maintained uninterruptedly from the beginning, save during the mutiny, and even then operations were resumed immediately on the pacification of the country.

This advantage atones for all defects of the system,

The advantage gained, by thus ensuring the constant application of railway capital to its destined purpose, can hardly be overestimated. It is so great, indeed, that the guarantee system, with all its defects, may yet be pronounced preferable to a plan which should place the funds for railways at the disposal of Government, and render their progress liable to be checked by the caprice of ever-changing administrators. For the first construction of a railway, therefore, I conceive that some agency like that of a joint-stock company, which shall be the holder of the capital raised, is a most useful, if not a necessary, condition of the case. But with the completion of the line, the use of such a machinery comes to an end, and henceforward it is simply an obstruction and inconvenience.

during the construction of a line,

after which it should be transferred to government management.

These considerations point to the introduction of a system under which an Indian railway, while undertaken in the first instance by means of a joint-stock company, should on completion, pass into the hands of Government, and become part of the State property. And such an arrangement might be established, free from all the objections which beset the guarantee system. Nor need the practical control of operations by the Government be deferred pending the process of construction. A joint-stock company may be usefully employed to raise the money, because such a body constitutes a convenient trust for holding the capital, and its employment ensures that the money shall be appropriated to the purpose for which it was raised. But there its utility ends. For supervising the operations undertaken in India, such a body is worse

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than useless. It may be safely asserted, not only that no other agency commands the same facilities for conducting a great business of this kind in India as does the Government, but that no other body can conduct it in a thoroughly satisfactory manner. The Government alone possesses the needful local machinery and information for efficient supervision and control.

Proposed system, combining joint-stock agency with complete government control.

Under these views, the method most suitable to be adopted for the construction of new railways in India would be somewhat of the following kind. On the execution of a project being determined upon by the Indian Government and Secretary of State, a company would be formed for raising the needful capital, on which a minimum rate of interest would be guaranteed. But with the subscription of this capital the independent functions of the shareholders would practically terminate. They would be, in fact, simply the holders of a particular description of government debt, to be applied to a particular purpose. A London board would, however, be required to conduct the business of the railway arising in England, connected with the purchase and shipment of stores, engagement of the European staff, and so forth; and it would be desirable that a part of the directors should be elected by the shareholders, as tending to supply the services of officials conversant with English railway business, and extending the very limited class of persons interested in Indian affairs. But the Government, having the largest stake in the concern, should certainly retain the appointment of the chairman in its own hands.

London board to be formed for Indian railways.

Further, the control of the railways thus passing into the hands of Government, the question at once arises whether, in place of a separate London board for each railway, one railway board for all Indian railways, with sub-committees for the different lines, would not be a more economical and convenient arrangement? The chairman of such a board being placed on the same footing, with respect to emoluments, as the permanent heads of the great public departments—boards of customs, inland

revenue, &c.—the services of a first-class official should be obtainable for the office; and there seems no reason why a central board so constituted, attached to the India Office, should not be sufficient for the disposal of the English business connected with all Indian railways.

Should the shareholders in railway loans participate in surplus profits?

Another matter calling for consideration is, whether the shareholders should be guaranteed a share of the surplus profits, or whether their interest in the affair should be limited to a fixed dividend? In favour of the former plan, it may be advanced that these prospective profits ought to enable Government to raise the needful capital on lower terms than would otherwise be necessary. It has however to be noticed, that the present comparative prices of the stocks of the Indian Government, and those railways which are paying more than five per cent. dividend, seems to show that this possibility of prospective gain would not have much appreciable effect; railway stock at five per cent., with the chance of more, being at a much lower figure than government stock which does not carry this chance. A more valid reason may perhaps be found in the fact, that to vest the shareholders with a direct interest in the return obtained for the capital would, of itself, necessitate the application of that capital to the purpose for which it was raised; and that the accounts which the Government, in its capacity of trustee, would thus be bound to render periodically to the shareholders, would prevent the diversion of the money to other channels. But under any circumstances it would be desirable to guard against the possibility of such a misapplication—the greatest objection, as has already been pointed out, to the construction of railways directly by the State—by embodying the needful provisions of the matter in an Act of Parliament. One obvious provision, in such an Act, would be the submission of periodical accounts to Parliament by independent auditors, showing the appropriation by the Indian Government of the moneys raised by it for railway undertakings.

With respect to the management of State railways

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Railway board to be formed in each Indian province for conduct of railway business.

in India, the existing practice of a double controlling agency, by a representative of the company and a consulting engineer, would be most suitably replaced by a government board for the railways of each province. The tendency of present times is, indeed, to depreciate the employment of boards, and to substitute for them everywhere a single officer. And for executive business, especially where prompt action is required, no doubt a single agent is preferable. No one would propose to appoint a board for the command of an army. But the executive business of railways is conducted by the responsible heads of departments—the chief engineer, traffic manager, &c.; the business falling to the superintending office is of a different nature, and is consultative rather than executive. A board acts as a valuable preventive against the undue action of personal influence; while, provided the chairman is vested with the same power of control that is possessed by the governor of an Indian council, and consequently the same responsibility for all acts of the collective body, the objection commonly raised that a board is a screen ceases to be applicable. The members advise and criticise, but everything is done on the responsibility of the president. A still stronger argument in favour of a management by boards is to be found in the rapid changes of Indian official life. The substitution of individual officials for collective bodies in all branches of the administration, which has been a favourite policy of late years, may have imparted increased vigour to the actual disposal of business; but it has certainly been attended with a marked increase of vacillation and uncertainty in the policy which regulates affairs. No one conversant with the subject can have failed to notice how much time is lost, and needless work undertaken nowadays, as one official follows another in rapid succession to the superintendence of the different branches of Indian administration, each with his own prejudices and pet views on

Advantages of administration by a board.

the conduct of business, and bent on striking out a new line, or reversing the policy of his predecessors. A government by boards at least ensures some degree of consistency and fixity of policy.

All railway officials to be transferred to service of Government.

But the particular kind of agency to be employed for superintendence is, after all, a matter of quite secondary character. The most important part of the change, in regard to the efficiency of the control to be attained over railway affairs, is that, on the direct assumption by Government of their management, the whole of the railway officials, willing to accept the new conditions, would pass over to the service of Government. Such a change would probably be entirely palatable to that body; and on the conversion of these officers into government officials, the spirit of antagonism which—from a supposed but quite unreal opposition between the interests of the shareholders and the Government—now sometimes creates a good deal of needless friction in the course of affairs, would at once be replaced by hearty and loyal co-operation.

Conditions of service.

The organisation of the Railway Service would naturally follow the same rules as regulate the other branches of government employ. First nominations would be made by the London railway board, specific appointments and promotions by the Indian boards and governments concerned.

Existing railways to be purchased by State under terms of contracts.

The foregoing remarks refer to the railways already completed or in course of construction. These may, in the course of time, form only the smaller part of Indian railways; but they will—the greater portion of them—always continue to be the most important lines in the country, and any scheme of railway reform would be quite incomplete which did not provide for their transfer to the State, as well as for the construction of all new lines by the same agency. Fortunately, the contract with each company gives the Government the power to purchase the railway from them, after the expiration of

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twenty-five years from the date of the contract, and this time will expire in the case of some of the principal lines about four years hence. The proposed measure is therefore one which can be shortly set in operation.

Possible objections to proposal considered. 1. That railway management is foreign to duty of Government.

It may here be useful to anticipate some possible objections to this proposal. First, there is the objection involved in the proposition often advanced—with less confidence, however, nowadays than was usual a few years ago—that the management of such undertakings is foreign to the proper duties of a State. Now, even if this proposition were true, it would plainly be inapplicable to the present case, in which the question is not whether the State should, or should not, assume certain new functions. These functions have already been assumed, for while the State is permanently charged with the fixed interest on the capital expenditure of the railways, a large and increasing part of the Indian revenues is derived from their net traffic receipts, the whole of which are paid into the public treasury, so that as far as its finances are concerned, the Government is already the virtual proprietor of all the railways in the country, and has the same immediate interest in their management as in that of all other branches of the public revenues. Even if it were not so, the assertion above referred to merely begs the question. A general proposition of that kind can only be true, if all the particular propositions which it combines are also true, which is just the very point involved. Now, in regard to common roads, it is never asserted that their construction and maintenance should be left to private enterprise. Even in a country like England, where local government has attained so great a development, the maintenance of roads is still held to be a public duty; it has been merely delegated to local trusts as a matter of administrative convenience, and is undertaken by them without view to profit. In almost every other country the construction of roads has always been regarded as a primary duty of the State. There is

Analogy from case of common roads.

no satisfactory way of rendering road-making directly remunerative, and therefore, if roads are to be made at all, it must be by means of the general taxes of the country, the taxpayers sharing generally in the benefit. And the circumstance which led to the first public railways being made by joint-stock enterprise, and to the extension of the practice to all English railways—namely, that the construction of railroads offered the prospect of a direct remuneration to the constructors—must not blind us to the fact that it is at least fairly open to question, whether it would not have been more advantageous to the country, if the English railways had been made on the same principles as ordinary roads, and paid for by the public generally, instead of merely by those using them. It is not merely the travellers on them who benefit by roads, any more than (as has been well pointed out) those only benefit by the establishment of law-courts and police who have injuries to be redressed. There is, of course, this difference between the two cases, that whereas on an ordinary road the traveller finds his own means of conveyance, the carriages on a railroad are supplied by the proprietors of it; and this condition, combined with the great reduction in the cost of transport effected by the new mode of locomotion, opened up a prospect of profit to be derived from the conveyance of goods and passengers, which has attracted an enormous capital to this kind of investment in England. The extraordinary development of railroads, brought about in consequence, may no doubt be regarded as more than a set-off for the disadvantage of placing the communications of the country in the hands of private monopolists, whose interests are often opposed to those of the travellers. But in India the chance of profit has proved an insufficient inducement for the purpose; capital will not seek this channel without an assured return; and therefore to place this new class of roads under the control of monopolists, and thus to introduce artificially

Railroads not necessarily a suitable object for private enterprise.

Advantage gained in England from employment of private agency,

not obtained in India.

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the antagonism of interests inherent between the travellers and the joint-stock proprietors, is clearly an unnecessary complication. There can be no reason why, in a country like India, the railroads should be in the hands of private individuals any more than the roads; on the contrary, the much larger interests involved in the former, render it still more important than in the case of the latter, that they should be dealt with so as to afford the utmost possible accommodation to the people of the country.

Opposition of interests between railway shareholders and public.

As regards the burden on the State, it may be useful to point out that the construction of a railroad from borrowed money does not involve a greater charge than the construction of a road, on the present system, out of the surplus revenue. A road can be made for about 1,000*l.* a-mile—a railroad, including the rolling stock, for about 10,000*l.*, the interest on which, before a return is realised, will probably not exceed the former sum. With respect to maintenance, the repairs of the road fall wholly on the State, whereas the passengers on a railroad willingly contribute enough, in the way of fares, to maintain the road and carriages in repair, and defray the interest on the cost of construction; so that a railroad is actually a lighter permanent burden on the country than a road, while it is incomparably more beneficial. Not that a good deal may not be said in favour of making the use of railroads as free to the public as the use of common roads, or at most limiting the toll to a fare sufficient to cover merely the cost of conveyance. But there are practical advantages in relieving the public burdens by imposts with which people are familiar; and experience shows that while a toll on a common road is resented, and operates to diminish the use of the road, the people of India willingly pay a toll for the use of a railroad. Further, there would be unquestionable difficulties in the way of meeting the charge for railroads by any other mode of taxation; and therefore the customary mode of

defraying it, by an impost directly levied from the persons using the road, appears to be the most suitable arrangement. But it will probably be conceded that this mode of taxation, which is intrinsically as much open to objection as the levy of tolls on common roads, should not be carried further than the necessity of the case requires, which in the present instance involves only a return, from the use of the line, sufficient to defray the cost of maintenance, and the interest on the capital sunk in first construction. Any return beyond this, although the justifiable aim of a joint-stock company, is injurious to the general community, whose interests will be best served by offering it the greatest possible facilities for traffic at the lowest possible cost. This benefit can only be fully secured to a country the public ways of which are the property of the State.

Second objection, on score of additional labour imposed on Government, replied to.

Another objection, of a more practical kind, to the State management of railways, may possibly be urged on the ground that the amount of business involved would be more than the Government could satisfactorily undertake. And this objection might be held even by those who are of opinion that, abstractedly, government agency would be better than private agency for this class of business, as well as for the management of the posts and telegraph. But when the matter is considered, it should be apparent that, regarded with reference to the other functions of a Government, especially the Indian Government—which in addition to the duties ordinarily to be performed in other countries, is also the landlord of the soil—the mere addition of this class of affairs need not prove a very formidable item. And, in fact, the direct assumption of the management of Indian railways by the State, far from adding to its labours, ought to afford a very sensible relief, for a very considerable part of the business now arising out of this branch of affairs would entirely disappear, were the quasi-independent character of the different railway officials to be removed

Proposed change should involve a relief to, rather than a burden on, the Government;

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by their transfer to the service of the State. That the railway business of the Indian Government is at present so little prominent and laborious, compared with the affairs of other departments, is not because the Government has not the same immediate interest and responsibility in it as in them, but because it is dealt with in a different fashion. The Consulting Engineer, who acts as the immediate agent of Government in railway affairs, has been entrusted with very large discretionary powers, enabling him to dispose of a variety of business, which in any other public department would have, according to usage, to be referred for the orders of Government. This is especially the case in matters relating to the creation of offices, in which the Consulting Engineer's powers of sanction are actually larger, in respect to railway officials, than are those of the Supreme Government with regard to the appointment of public servants. The circumstance that, in the one case, the nomination to appointments rests with the representatives of the railway company, does not affect the comparison; in either case the expenditure for which the sanction is given falls directly upon the State, for it is quite immaterial, so far as the final incidence of the charge is concerned, whether salaries be paid directly from the State revenues, or by a deduction from the railway traffic receipts, which form part of those revenues.

provided the railway board be entrusted with same authority,

Here, then, lies the secret of simplicity in management. Were the Government, on assuming the direct control of Indian railways, to import into the business the same mode of detailed attention which traditionary custom has established for all its other departments of affairs—under which especially no authority, short of the Government itself, is competent to make other than the most subordinate appointment, or to sanction the most trifling expenditure—then, undoubtedly, a very serious additional burden would be placed upon it. But if, as has been here proposed, a railway board were established under

each Government, and were vested with the same degree of authority as is now delegated to the Consulting Engineer and the Agents of the railway companies, then the transfer would create no sensible amount of additional trouble; while a great deal of the friction which now arises, and is inseparable, from the peculiar relations at present subsisting between the railway officials and the Government, would henceforward disappear.

as is now possessed by Consulting Engineer.

This peculiarity of the government management of its railway affairs, under which it has not only relieved itself of all detailed business, but has delegated to a functionary holding the modest position in the official world of a consulting engineer, far more extensive powers for admitting charges against the public revenues—for such is every item of railway working expenses, since it is so much deducted from the traffic receipts which form part of those revenues—than are possessed by any provincial government, or any but the finance department of the Supreme Government; this remarkable anomaly in Indian administration has not, I believe, been brought about designedly; indeed, it may be doubted whether the tendency of the arrangement has ever been distinctly apprehended. But it manifestly indicates the direction which might be given to the course of administrative business generally, as the affairs of the empire expand. The example therefore deserves consideration, as showing how the labours of the central Government in all departments may be brought within the capacity of one governing body to deal with, by the delegation of some part of its functions to a subordinate authority. A great step of the kind was made in the substitution, referred to in an earlier part of this work (page 149), of a government by departments for a government by the collective Council; but it may be doubted whether the division of labour might not even now be carried further, especially in the delegation of a certain degree of responsibility and authority to the secretaries of departments. These

Possible extension of system of railway management to other branches of affairs.

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officers, as has been explained, occupy a position analogous to that of the Under-Secretaries of State in England, but they possess nothing like the same amount of discretionary power in the disposal of the business coming before them.

Extent of independent authority possessed by Indian officials.

It is only proper to add, on the other hand, that if we pass beyond these central bureaux, where there appears to be from this cause considerable waste of administrative power, the different executive departments in India will be found to enjoy a much greater freedom of action than appears to be usual in the British service. There is nothing in that country, for example, resembling the extremely centralised system of the English War Department. In regard to expenditure, the subaltern in charge of an Indian outpost possesses a greater authority for incurring disbursements of money for the accommodation of troops, than does the general commanding the forces in any of the colonies. And generally, the Indian mode of dealing with the grants and estimates in all branches admits of great elasticity in meeting variations in the demands of the public service throughout the country. The acknowledged remarkable efficiency of the Indian commissariat is probably due, in great measure, to the degree of discretionary latitude permitted to the officers of that department in all grades; the same thing holds good throughout the various civil departments.

The subject is mentioned here, because it is frequently asserted, in Parliament and elsewhere, that the tendency of Indian administration is towards over-centralisation, and withdrawal of discretionary powers from the executive agents of the Government. These things are of course comparative, and whether the delegation of authority usual in India is carried far enough, may be matter of opinion. But compared with the state of things obtaining under most European Governments, it appears certain that the Indian system is remarkably flexible.



Combined with this latitude of action, however, is to be found an extraordinary degree of supervision, or endeavour to maintain supervision, by means of reports and returns. The extent to which this is carried in India is probably quite peculiar to that country. The Supreme Government sends a copy of every letter it receives and despatches to the Secretary of State; each provincial government, in like manner, sends monthly a copy of its correspondence to the Government of India;* they in turn obtain abstracts of the proceedings of the heads of departments under them, and so on throughout the official chain; while statistical returns and reports of all kinds are very freely demanded. This sort of supervision has probably grown up out of the peculiar circumstances of that country, where the great distances which separate the different provinces, and (until lately) the difficulties of travelling, rendered personal communication between officials unfrequent, and involved the disposal of almost all business by letter. The requirements on this head, which no doubt often press heavily on individual officers, although not therefore necessarily superfluous, may perhaps sometimes have been mistaken for centralisation of authority; but the two things are plainly quite different.

Indian system of reporting proceedings.

Supervision a different thing from centralisation.

[Note to Second Edition.] The policy advocated in the foregoing chapter has already [1870] been in great measure carried out. The Government has lately proclaimed its intention to undertake henceforward all further railway construction in India through its own agency, save in the case of such extensions of existing lines as are essentially parts of the original project. Already steps have been taken for giving effect to this determination by the commencement of several State railways in different parts of the country, to be constructed by loans raised for the purpose, while the approval expressed in most quarters of the measure marks the striking change which public opinion has undergone with regard to this important matter. It is hardly doubtful that this new policy will be pursued still further, and that the Government will in

* Only brief abstracts are supplied of unimportant letters. All these papers are furnished in print.

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a few years obtain possession of all the Indian railways, buying up each in turn as the time arrives when the contract empowers it to do so. There still remains to provide an administrative machinery suitable for the management of this great branch of public affairs, which shall combine executive efficiency with proper safeguards against that vacillation of policy which necessarily attaches to government by a succession of single individuals, and which is especially the bane of Indian administration. Believing that this safeguard may be found by a method such as has been here suggested, I have allowed this chapter, although now in some respects obsolete, to stand almost as it was written.]

CHAPTER XXI.

IRRIGATION.

CHAP. XXI.

THE importance of the results effected by artificial irrigation of the land in India; the prominence imparted to the matter by the recent famines in that country; and the greatness of the undertakings entered on by the Indian Governments for the extension of irrigation works throughout it, are sufficient reasons for devoting a chapter of this work to the subject. It may be as well, however, to premise that no detailed account will be attempted here, either of the works undertaken, or of the systems of irrigation pursued in India. For these the reader must consult the numerous reports and descriptive accounts which have been published on this head. All that the limits of the present work will allow, is briefly to indicate some of the most important and interesting conditions in which the subject is involved.

Limits of subject to be discussed.

Various modes of irrigating the soil artificially are practised in India. Leaving out the use of wells, in which case the earth itself acts as the reservoir, the most simple, as well as one of the most effective kinds of irrigation is derived from tanks. The ordinary Indian irrigating tank is formed by intercepting the drainage of the country by means of an embankment. If a gorge between two hills be selected for the place of construction, a single embankment across the lower part of the valley is sufficient for the purpose; but where, as is most commonly the case, the scene of operations is a sloping plane, the embankment must be constructed on three

Different systems of irrigation.

Tanks.

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sides. In these tanks the depth of water is of course greatest against the lower embankment, and gradually becomes shallower towards the opposite end, till the bed rises above the level of the water. Sluices are constructed at the lower end of the tank, in the embankment, whence the water is led off and distributed among the fields below it.

For the construction of these tanks, a moderate and equable slope of the country is required. If the fall of the land be great, an excessive height of embankment becomes necessary; if it be slight, the shallowness of the tank, and consequently the extent of surface in proportion to its contents, causes great waste from evaporation, while the area of land occupied by the tank is disproportionately large.

The configuration of the coast of the Carnatic, or eastern portion of the Madras Presidency, is peculiarly favourable for tank irrigation, and the whole of this part of the peninsula is studded with these reservoirs, some of them enormous works, many miles in circumference. These were almost all constructed before the occupation of the country by the English, whose connection with them has been limited to their maintenance, and in some cases restoration. Tank irrigation is also largely practised in Bombay and Central India, as well as in Behar. But this last country has too small a surface-inclination to admit of the full development of the system, and the water from the tanks has there to be lifted into the irrigating channel, usually by manual labour.

Irrigation from rivers. Different systems in Madras and Northern India.

The other system of irrigation practised is by the diversion of river-waters. This is differently carried out in Upper and Southern India. What is generally known as the Madras system of irrigation, consists in the construction of a dam across the bed of a river to raise the level of the water, which is then diverted into side-channels, and thence distributed over the surface of the country. The irrigation system of Northern India is

also based on the damming-up of the rivers, but the conditions of the two cases are very different. In the Madras Presidency the most fertile lands are those adjacent to the coast, which form the deltas of the different rivers, and the use of the water commences in the immediate vicinity of the dam. The fall of the country is here extremely small; the regime of the river-channel has been thoroughly established, and the management of the water is easily under control. Moreover, the difference of level between the river and the country through which it flows is so slight that a very moderate height of dam suffices to lift the water into the irrigating channels. Similar physical conditions would be met with in the delta of the Ganges, and on a much larger scale; but this part of the country is comparatively independent of artificial irrigation, by reason of its usually abundant rainfall; it is in the upper course of the Ganges and its feeders that the use of their waters is wanted, where they flow through the comparatively dry country of the North-West Provinces. And here too the agricultural conditions are also very dissimilar from those in Southern India. On the Coromandel coast only one crop is raised in the year, and this is irrigated in the rainy season; so that the system of irrigation deals mainly with the rivers when they are in flood, and comparatively simple works effect the desired object. In Upper India, on the other hand, there are two harvests in the year, and the corn crop, which most requires irrigation, is grown during the cold season, when the rivers are at their lowest. The Ganges, after it issues from the Himalaya, runs in a valley which it has excavated for itself in the course of ages—five or six miles wide, and from eighty to one hundred feet below the level of the great plain which forms this part of India. The general slope of the country from the Himalaya to the sea is from a foot to eighteen inches in the mile, and this, which would be an excessive slope in a great river;

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is counteracted by the tortuous course of the Ganges, which meanders from one side to the other of the valley within which it runs. To dam up the river at any part of this course, would therefore involve the construction of a weir across the whole width of this valley, as well as very extensive cuttings to convey the water into the adjacent country; and the level at which the water would strike the surface of the country could only be reached at a considerable distance lower down the course of the river than the site of the weir, so that the country adjacent to the upper part of the river's course would be unprovided with irrigation. These considerations led to a different plan of operations being undertaken. The waters of the Ganges are intercepted, at the point where the rivers issue from the lower Himalaya in a firm well-defined channel, whence they are carried to the centre or watershed line of the Doab,* down which the canal is conducted nearly to the point of junction of the Ganges and Jumna. This arrangement involves several considerable difficulties of construction, in the crossing of the numerous affluents of the supplying river, in order to reach the watershed. The great artificial river known as the Ganges Canal meets several of these, which are carried—some under, some over, and some through the canal, according as the levels of the country rendered one or the other plan most suitable. The watershed line once reached, the canals in that situation afford highly favourable conditions for effective irrigation. Distributive channels are constructed on each side at intervals of a few miles, whence the water is led to the surface of the country, and from these smaller channels convey it for distribution over the fields. The excessive slope of the country, beyond what is required for a moderately swift current—and

* *Do*, two; *âb*, water—a country lying between two rivers. The great plain between the Ganges and Jumna, which forms the greater part of the North-West Provinces, is known *par excellence* as *The* Doab.

for this a few inches per mile suffices—has to be overcome by numerous weirs, over which the waters of the canal are discharged. Although the work is spoken of as one canal, it consists in fact of a network of branches, which convey the water, right and left, over the surface of the Doab. Unlike a river, the canal becomes smaller instead of larger in its course;* and only sufficient water for the purpose of navigation is retained in the main channel, which finally, an attenuated stream, rejoins its parent river at Cawnpoor.

The foregoing account is generally applicable to the principles of construction adopted for the other canals of Northern India—those, namely, from the Jumna and Ravee rivers. The problem in each case is to divert the course of the river, from the valley of its natural course to the crest of high land running parallel with it, and to make the force of gravitation take the place of mechanical agents for distribution of the water. Such a mode of irrigation is clearly only adapted for a flat country, where the high crest spoken of is in fact a very gentle undulation, only perceptible to the test of the surveyor's level.

Difference in conditions regulating the two systems.

Thus, what may be termed two schools of irrigation engineering have been formed in India, in the Madras Presidency and in Upper India, each of which has been accustomed to deal with the subject in its special way; and the discussion of the comparative merits of the two systems has of late occupied a good deal of public interest. There are some persons, indeed, who contend that what is termed the Madras system is not only the best for the localities where it has been employed, but that it is intrinsically superior to the other. Those who

* This is, however, not true of all Indian rivers. The Cuggur and Sursuttee, which rise in the lower Himalaya, between the Ganges and Jumna, and at certain seasons are considerable streams, both disappear before the Indian desert is reached; partly taken up in irrigation, and partly absorbed by the sandy soil through which they run.

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hold this view (of which Sir A. Cotton may be regarded as the principal exponent), urge that the system of head-works, by which the Ganges Canal is supplied with water, is radically defective; and that, instead of diverting the river at its upper and stony bed, a dam should have been constructed across the wide and sandy channel lower down; and, as a consequence, that all the other canals should have been constructed in the same way. Into this, which is purely a professional controversy, it is not desirable to enter here, further than to observe that a very competent committee of engineers, chosen from all branches of the profession, which was lately appointed to report on the subject, pronounced in favour of the method actually adopted, both as to convenience and expense.

Financial results of two systems not comparable.

But the remarkable financial results claimed for the Madras system deserve a word of notice. The almost fabulous returns which the expenditure on irrigation-works in Southern India is said to have produced, being in some cases twice and threefold the original outlay, certainly appear to confer the palm of success over what has been effected in the North, where the most successful undertaking—the Jumna Canal—for many years paid only a modest five per cent. But this comparison can only be regarded as conclusive, provided the conditions are the same in each case. And a closer examination of the matter explains, in great measure, the reason for these striking differences. It may be noticed, by the way, that these Madras accounts are merely *ex parte* statements, which have not as yet been subjected to the process of independent verification. Anyone familiar with such matters is aware how easily figures and statistics of all sorts can be made to exhibit results varying at pleasure, although manipulated with perfect good faith. But, even taking the figures for granted, there is a very sufficient reason why irrigation in Madras should be exceptionally remu-

nerative. This is explained at once by the physical character of the country. The rainfall of India, generally, takes place during the prevalence of the south-west monsoon, a local trade-wind, which blows from May till September, and is occasioned by the sun's progress to the north in summer, combined with the rotatory motion of the earth. But the supply of moisture deposited upon the peninsula generally by this wind, is intercepted from the Coromandel coast by the mountain ranges to the west, and the time of the rainy season in every other part of India is a dry season there. For their supply of rain the districts on that coast are dependent on the north-east monsoon, a periodical wind occasioned by the return of the sun to the south, which blows from October till the beginning of the succeeding year; but this wind, which rises in the Bay of Bengal, is much less powerful and distinctly marked than the other Indian trade winds, which comes from the Southern Ocean, and it brings only a precarious supply of rain. This coast is therefore almost wholly dependent on artificial irrigation for good harvests. In Upper India, on the other hand—although there is seldom a season in which artificial irrigation, when available, is not made use of, and the demand is likely to become more extended and sustained as habit teaches the cultivators to insure themselves against the chances of the seasons—artificial irrigation must still be regarded as merely an auxiliary to the ordinary course of farming, and a palliative of occasional drought. In favourable seasons, good crops can be raised without its aid.

Here, then, we have a sufficient explanation for a considerable difference, at least, in the results exhibited at the two places. In the one the supply of water is only the first step—the next is to teach the people to use it. In the second region, on the other hand, the effect of artificial irrigation was, in the first instance, to convert barren tracts into cultivated; and for maintaining them

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in that state its use becomes an absolute necessity. Further, in many of the Madras works, the expenditure shown is merely the cost of restoring works originally undertaken under native dynasties; the cost in such cases has thus been merely, as it were, that of supplying a new bung, not of making a new cask. Lastly, and which alone explains the apparent inconsistency, the comparison is not made between like things. In these Madras returns, the whole increase of the land revenue in the irrigated districts has been credited to the irrigation works; whereas in the Upper Provinces, the only item shown as revenue has been the rate realised by the Irrigation Department for the sale of water. All comparison between the two accounts is therefore obviously impossible; but, as explained above, it is reasonable to suppose that the works in Southern India are the most remunerative, because the need for them is there more pressing, while the physical conditions of the territory are also more favourable there for economical construction. If, however, the aggregate benefit conferred by each class of works be regarded, irrespective of the interest on capital, it may be observed that the works in Northern India operate on a larger extent of territory, and which is more populous, opulent, and politically important than the irrigated districts of Southern India. Setting comparisons aside, it may be said that each class is of inestimable importance to the country.

Joint-stock enterprise in connection with irrigation.

The large profits ascribed to the Madras irrigation works not unnaturally attracted the promoters of joint-stock enterprise to the field, and two companies have, at different times, been formed for irrigation projects. The first of these, termed the Madras Irrigation Company, was formed under a guarantee of five per cent. interest from the State, on a capital of one million sterling, which was estimated to be the cost of the project undertaken—a canal from the River Toombuddra, in the Bellary district of the Madras Presidency. The capital has been spent

long before the works are completed; and in order to enable the company to carry out its design, the further aid of Government has been given by an advance to it of 600,000*l.* In the present state of the works of this company, it is not possible to say what are the precise prospects of realising a return from the outlay, but the additional capital is almost spent, and there are no tidings of the works being completed. The second company, styled the East India Irrigation Company, was formed, without a guarantee, for undertaking irrigation works from the River Mahanuddee, in Orissa. The capital raised of one million sterling sufficed only to complete a part of the projected works. No more could be obtained, while only the most insignificant returns were realised from the outlay;* and the affair was at the point of collapse when the Government came to the rescue of the shareholders, and purchased the undertaking from them.

So much for the application of joint-stock enterprise to irrigation works. After this experiment it may be safely predicted that no more capital will be applied in this direction, unless the State assumes the entire risk, as it has done in the case of the Madras Irrigation Company, and every reason that can be alleged against the guarantee system, for the construction of Indian railways, is equally applicable to the case of irrigation works, while there appear to be grave additional objections to its employment in the latter case. The management of a railway, when completed, can at any rate be efficiently conducted by a private company, although it might be conducted much better directly by the Government. But the agency of a company cannot be safely employed for the distribution of water from irrigation works. It is admitted, even by the advocates of joint-stock agency for the purpose, that the power of withholding a commodity, which, when once made use of, becomes an absolute necessary to the

* The gross revenue in 1868-69 was 543*l.*, considerably less than the cost of the establishment employed in collecting it.

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people, is too delicate and dangerous a weapon to be placed in the hands of a body which is avowedly noways directly interested in the affairs of the country, but whose object is distinctly to get the largest possible return for its capital—that is, the highest possible price for the water supplied. Anyone familiar with the extortion sometimes attempted to be practised by the subordinates attached to the government irrigation works, although carefully watched, and although the water-rate is fixed intentionally at a very low figure, will readily understand how great an engine of oppression might be framed out of the management of such a concern. It was accordingly provided, in the case of the Orissa Company, that on the construction of the works being completed, the duties of the company's officers should be confined to the maintenance of the works, and that the distribution of the water should be undertaken by Government. The company, in fact, was to sell the water to the Government, and the Government to sell it to the cultivators.

When we consider that all this complication, with all the laborious negotiations that have arisen with the company, extending from first to last over several years, involving great delay in the commencement of work, and ending in an arrangement by which the Government accepts an expenditure over which it has had no control; that all this had for its object to save the Government from the responsibility of raising and spending directly one million sterling,—a sum, that is, less than what it disburses every month on its army,—the aspect of the whole affair is little short of ludicrous. The experiment, however, has not been without its use, as showing the utter inapplicability of private enterprise to undertakings of this class. It may be hoped that there is now an end of the coquetting with projectors, which has hitherto in some quarters taken the place of the political courage required to look the wants of the country fairly in the face, and to undertake their supply in a systematic and

definitive manner, in the only way that the task can be satisfactorily accomplished.

Irrigation works not a remunerative investment for private capital.

But if any further argument were wanted on this head, it is to be found in the simple fact that irrigation works, although highly profitable to the Government, do not afford a reasonable prospect of profit to the shareholders. The latter of course look to obtaining a direct return on their capital only in the shape of water-rate, and a large profit in this form no works that remain to be undertaken are likely to give. The enormous profits ascribed to the Government works in Madras, if accurately stated, may seem to contradict this view, but then the most favourable ground has already been taken up. These returns have been obtained by utilising the waters of the deltas on the east coast—of the Godavery, the Kistna, and the Cauvery, countries where the water was most urgently needed, and where it could be supplied at an exceptionally moderate cost. No more such deltas remain to be operated on. Again, in Upper India, the great rivers Jumna and Ganges have already been taken up. And here, where accurate statistical information is available, the results are not promising for projectors. The canal on the east bank of the Jumna, which is financially the most successful of all, now yields a return of nearly nineteen per cent., but this is after it has been in work for nearly thirty years. The Ganges Canal, first opened in 1854, was worked for many years at a loss; the highest return reached in any year has been 7¼ per cent., but this was in a season of excessive drought. A considerable increase in the return may be looked for eventually, as irrigation finally extends, and the whole available supply of water furnished by the canal is purchased by the cultivators. But their thrifty habits are opposed to any sudden increase of outlay in their farming, and become only slowly adapted to the use of artificial irrigation; this final development must therefore be a matter of years (at present the water is doing but half its

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full duty); and in the meantime the undertaking, as a commercial venture, would clearly be a failure. And if this unreadiness to make use of irrigation is manifested by the cultivators of a dry country like Upper India, where the rainfall is as often as not insufficient to produce a good harvest, much more is it likely to be exhibited in more favoured regions. The Orissa Company very soon made the discovery, that it is one thing to supply water and another to sell it; and it was one of the apologies put forward in the last report of the directors for the failure of their programme, that the cultivators would not purchase the water already made available, an apology coupled with the naive proposal, that since the Government was to act as the distributing agent, or middleman, between the company and the cultivators, it should at any rate buy the water from the former, whether or not it could find a sale for the article in turn.

It may, however, be replied by the advocates for applying the joint-stock system to this kind of enterprise, that the precedents afforded by the Government works are not conclusive; for that in the first place the Government, besides that it derives its profit indirectly by increased land-rent as well as by water-rate, in those provinces where the assessment of the land-revenue has not been established in perpetuity, has fixed that rate at a needlessly low figure; that a company might charge higher rates without imposing an undue burden on the buyers; and, secondly, it may be objected that the Government works are not of the most economical class —that the same results might have been produced with smaller outlay.

As to the first point, it is certainly the case that the Government has never put on the water the highest price it could bear. On the first introduction of irrigation into Upper India, the principle was indeed distinctly enunciated, that the Government did not look to a direct profit for its outlay, but only to the indirect one

arising out of the general improvement of the country, and the security afforded for the punctual realisation of the land-revenue; and in that view the water-rate was fixed at the lowest figure sufficient to prevent a waste in consumption. Within the last few years the price has been raised; but even now the average charge on the Ganges Canal amounts to only four shillings and sixpence the acre for a season's irrigation, and forms but a small item in the cost of cultivation. The indirect profit, arising from the increased land-revenue, is not available in the parts of India subject to the perpetual settlement. But even assuming that the maximum average return were obtained from the irrigation, including both water-rate and increased land-revenue—which maximum the Chief Engineer of Irrigation Works, North-west Provinces, assumed, in a late report, would amount to eight shillings an acre,—the Ganges Canal would now (according to the same authority) be returning for the first time a dividend of about ten per cent. on the capital sunk, twenty years after the works were first begun. Clearly this would not have been a profitable commercial speculation.

As to the other point—the professional question regarding the best mode of constructing irrigation works, the data for comparison are at present wanting. The cost of the Ganges and the other great canals in Upper India is known, but the cost of the works of the Madras and Orissa companies is not known, since only a part of either project has yet been completed. All that is known for certain about them is, that the original estimates will be largely exceeded. One element for partial comparison is however available. The cost of the works undertaken by the Madras Irrigation Company is estimated at 5*l.* per acre irrigated, while the Ganges Canal has cost less than 4*l.* per acre on the area actually under irrigation. From this point of view, then, there is not much room whereon to base sanguine expectations of profit. But, however that may be, there is one fact to be borne in mind as very

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material to the point. There is no possibility of ever again executing a great irrigation project at anything like the same cheap rate as the Ganges Canal, because, not only was that work as remarkable for the economy with which it was carried out as for the excellence of the workmanship, but it was constructed before the recent great rise of prices. It is not too much to say, that if the work had to be done over again, even under the same skilful and careful engineer, it would cost at least twice as much as the actual outlay has been. The irrigation works already constructed start, in fact, with the enormous financial advantage of having been carried out in the days of low prices, an advantage not likely to be again available.

But highly remunerative as Government undertakings.

So much for joint-stock enterprise in connection with Indian irrigation. From whichever way the matter is regarded, the probability of commercial success in connection with these undertakings appears but small. But when the matter is viewed in connection with the State, it bears a very different aspect. Besides that the Government should be able to reap a direct return from these works even greater than any private company could do—since it commands, from its position, the means of conducting such affairs more economically and under completer supervision—there is the enormous indirect benefit to be derived in the improved condition of the country, which necessarily follows from improved agriculture. But these are the smallest of the objects to be derived. That poor crops should be replaced by rich ones, or rather that a succession of good crops should be secured, independently of variations in the seasons, is, no doubt, a highly important result. But the surpassing value of irrigation in India is to be found in the insurance it effects against the horrors of famine. Twice within the last thirty years have the rains failed in the plains of the Upper Ganges. For the last seven years Western India has suffered under the calamity of successive deficient harvests, producing an

And necessary as a preventive against famine.

enormous rise of prices, which would, with a less frugal race, have caused extreme distress. The great famine of 1866, although experienced in greatest intensity in Orissa, extended, with more or less severity, from the Ganges to the extreme south of the peninsula, and the sufferings which it created must have been undergone by from fifty to sixty millions of persons. In 1869 a large part of India was again afflicted with extreme drought, producing in many extensive regions all the miseries of famine, and involving a large public outlay to keep the starving poor alive. It is to prevent, or at any rate to alleviate, the effects of these awful calamities, that irrigation works are needed in India. Even as an insurance against the direct loss of land-revenue, which must necessarily be foregone when the people have no crops to sell, such works are at once extraordinarily remunerative to the State. The famine of 1837–8 involved a direct loss of half-a-million sterling on this head; the Ganges Canal is estimated to have prevented at least as much during the famine of 1861. Yet the direct saving in land-revenue is obviously only a part of the saving which thus accrues. A great calamity of this kind cannot fall on a country without paralysing the whole course of trade and business, and the effect must necessarily make itself felt in every branch of the national revenue. The loss of public revenue, again, is but small compared with the destruction of national wealth resulting; and this it must be the duty of the Government, as representing the interests of the general community, so far as possible to prevent. And, after all, the loss of wealth, whether public or private, is surely but the lowest ground on which to base the argument for active measures The prevention of the miseries of famine should alone be a sufficient, as it ought to be the leading motive to action. It is not as if the affair were a speculative one, and that the question were one of possible calamities and doubtful remedies. Droughts have occurred in India so frequently, that their recurrence

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before long, in some part or other of the country, is reasonably to be expected; and famine, as the certain effect of drought, can be prevented by irrigation. Here, then, is clearly one of the most important duties that can be placed before the government of any State. The task is one that only the Government can undertake; for it is not merely to carry out projects which promise to be remunerative in the ordinary sense of the word—it is to extend irrigation, wheresoever irrigation may be possible, throughout the country. Till that is done, and the danger of famine has been guarded against to the fullest possible extent, the English in India may replace anarchy by peace, and may distribute equal justice, and remove ignorance; but it cannot be said that they have fulfilled their whole duty by the people of the country.

Urgency of demand for extension of irrigation in India.

So great and urgent is the need of pressing on irrigation works, in view of the successive droughts with which the country has been visited, that almost any mode of conducting the work would be preferable to standing still; and from this point of view, joint-stock companies, with all the defects inherent in that mode of agency, should be gladly welcomed and encouraged. But it may be hoped that the principle has now become distinctly recognised, that this is a duty which can best, and ought to be, undertaken by the State; and that the hesitation which formerly marked the policy of the Indian Government in this vital matter has now been finally shaken off. In the early history of the subject, this indecision of opinion and action is indeed very apparent. In Madras the great irrigation works, although enormously beneficial, and beyond doubt directly remunerative, have been pursued during the last thirty years in at best an intermittent fashion, at no time with a vigour commensurate with their surpassing importance. Two canals on the right and left banks of the Jumna, undertaken thirty years ago, were partial restorations of an old Mahomedan work. The Ganges Canal was commenced under the influence of the feelings

excited by the great famine of 1838; but progress was suspended during Lord Ellenborough's administration, and was not resumed until 1847. On the annexation of the Punjab, another great canal was commenced from the Ravee, to irrigate the Baree Doab, or country between that river and the Beas, in which are situated the great cities of Lahore and Umritsur. But a distinctly pronounced policy for the general extension of irrigation works, wherever and however feasible, was not developed till after the assumption of the government of India by the Crown, nor indeed was anything like the present rate of expenditure compatible with the comparatively small financial resources of those days. The events of the mutiny naturally distracted attention to a certain extent from the subject of irrigation, and for a time greater importance was attached to the extension of communications. The famine of 1861, in the North-west Provinces, drew attention back to the subject, and showed both how much had been done towards the mitigation of the calamity, and how much still remained to be done to perfect the natural means of irrigation available. Since that event some time has, unfortunately, been lost in discussion, as to the best machinery for carrying out the needful works; and one great project, elaborately matured and ready to be undertaken—the irrigation of Behar—has been deferred from year to year, on account of negotiations pending with a joint-stock company, which obtained a concession for the work, but has been unable to raise the needful capital. Upon this state of affairs supervened the famine of 1866; but the Home Government has lately sanctioned the proposal of the Government of India, to carry out by state agency all needful irrigation works throughout the country; and the business has now been entered upon on a scale of operations adequate to the object in view. The different provincial governments have been informed that funds will be supplied to the required extent for every approved project

Policy enunciated by Government on this head.

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matured under their orders; and it may be said that progress is now only limited by the capacity of the engineering staff (which has been largely augmented), in designing and superintendence of the works to be undertaken. The grant provided during the current year for the purpose is about $2\frac{1}{4}$ millions, and the expenditure is likely to go on increasing for some years as the works advance.

Magnitude of schemes proposed for development of irrigation.

This great scheme, which is no less than the systematic irrigation of India—and which, if progress be maintained at the present rate, will, in the next quarter of a century, completely alter the aspect and circumstances of that country—has been entered on simultaneously with the undertaking of a large extension of railways, while arrangements are being matured for providing the means of effecting a proportionate development of common roads from provincial resources. The Indian Government has in fact entered on a policy for improving and fertilising the country on a scale of extraordinary magnitude, which is only exceeded in extent by the wants to be supplied, and which will require a great and sustained effort to bring to a satisfactory conclusion. The establishment of this vigorous policy, directed to the fulfilment of an object of surpassing importance, constitutes a marked epoch in the history of British India.*

Outline of proposed operations;

It may be useful to indicate here, very briefly, the nature of the works which it is proposed to undertake, in furtherance of the general plan.

in Southern India;

The western part of the Madras Presidency may be regarded as safe from any liability to drought. This

* I cannot forbear from alluding here to the leading part taken in the introduction of this great measure by Colonel Strachey. An immense deal had previously been written and said about irrigation, but he was the first to point out distinctly the nature and extent of the obligations involved in the development of a complete system of irrigation for India; while to the force and ability with which his views were advocated, may fairly be ascribed in great part the readiness with which they were adopted by the Home and Indian Governments. But this is only one of the many obligations due by India to this distinguished man.

country receives the full force of the south-west monsoon, and always obtains an abundant supply of rain. It is on the east coast that precautions are most necessary, for the reasons already explained. The great rivers here have already been operated on, and their waters placed under contribution by the construction of dams; but a good deal has yet to be done towards the complete development of the subsidiary works. There remain the smaller rivers and the affluents of the larger ones, from which a considerable irrigation is to be obtained at some distance from the coast. In the case of the numerous tanks which are fed from the surface-drainage, or from the smaller streams which rise on the east of the backbone of mountains running through the peninsula, a failure of the periodical rains (which, as has been explained, depend on the north-east monsoon, and fall during the winter months) will also produce a partial failure of these works. And although, therefore, they are still very important, as utilising to the utmost the supply of water available in times of scarcity, the relief they afford on such occasions will be but small, compared with the effect of the great works on the Godavery, Kistna, and Cauvery, which take their rise in the Western Ghauts, and are fed by a different rain-system. These rivers will be full, even when the rains fail in the country through which they pass.

in Bombay;

Irrigation in the territories under the Government of Bombay presents quite different conditions. Here there are no deltas, but the waters of the different rivers have to be intercepted before they quit the table-land of Western India; while, from the broken character of the country, the irrigation schemes to be undertaken necessarily assume a great diversity of form. Many parts of the country are favourable for storage of the superfluous waters of the rainy season, by the formation of reservoirs, and some extensive projects of this kind are under preparation. In no part of India is irrigation

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likely to be more valuable. The conditions of Central India are very similar. The surface of the country is too irregular to admit of the construction of long lines of canal, like those in the North, nor are there great level areas to be inundated, like the deltas on the Coromandel coast; but many parts of the country admit of the formation of reservoirs, while the water available during the rainy season, if stored up in this way, will afford means for a very large development of irrigation. The great variety of the physical features of this part of India renders the prosecution of irrigation works here peculiarly interesting to the engineer.

in Central India;

in Northern India;

In Northern India the waters of the Ganges and the Jumna have already been partially diverted into the large canals referred to in the earlier part of this chapter. Another great canal has lately been commenced for irrigating the right bank of the Jumna between Delhi and Agra, to be supplied by means of a dam across the river near the former city. A second great canal has also been projected from the Ganges, to be taken off from the river near Allyghur, which will supply an extensive irrigation as far as Allahabad. In the Punjab the only river yet operated upon is the Ravee, the canal from which was undertaken on the annexation of the country, and has been in use for some years. A large work has lately been begun for the utilisation of the waters of the Sutlej, and a project is under preparation for another canal to take off the waters of the Beas below its junction with the former river near Ferozepoor. There still remain three great rivers in the Punjab—the Indus, the Jhelum, and the Chenab—which may prove on examination to be similarly available for the construction of first-class canals. The needful detailed surveys have still to be made in these cases, but, should these investigations prove that the diversion of their waters is practicable, the whole Punjab may be converted into a magnified Lombardy. The peculiar value of all these rivers, as the basis of irrigation

projects, is that they have their source in the glaciers of the Himalaya: thus their supply is quite independent of local causes, and their waters increase at the hottest season of the year, when other sources fail.

in Oudh;

Another country which presents remarkable facilities for irrigation is Oudh, with the adjacent parts of the North-west Provinces, which is watered by the Gogra —a tributary of the Ganges larger than the parent stream—and several other fine rivers, and a great project for the purpose is now on the point of being undertaken. As a commercial speculation, irrigation may not prove very profitable in this part of India, where the climate is usually very favourable for agriculture, and drought is almost unknown. But even in this favoured land the certainty of artificial irrigation would probably in time obtain due appreciation; nor can it be predicted on what part of India the next great drought will fall.*

in Bengal.

A variety of minor schemes have been, or are about to be, undertaken in Upper India, which need not be detailed here, for utilising small streams. Few of these have so far proved directly remunerative, but the indirect benefit conferred by them on the country is out of all proportion to their cost. There remains to consider Bengal. Of this country rice is the staple food, and ordinarily the rainfall is abundant. But just in proportion to the general prosperity must be the magnitude of the calamity, should a failure of the rains occur in so densely-populated a country, all dependent on one description of food, gathered in at one season of the year. Accordingly, the Bengal famine of 1770 appears to have exceeded in intensity all visitations of the kind known in India. The distress during 1866 in some parts of Bengal was also very great, although overshadowed by the events in Orissa. As a means of averting the recurrence of such a calamity, the construction of a dam

* Note to 2nd Edition.—Oudh was afflicted with a severe drought in 1869, the year after this was written.

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across the Ganges has been proposed, somewhere about Rajmahal, before the river turns in its course from the east to the south. By this means a portion of the flood-waters of that stream, here several miles wide, could be diverted over the country between it and the sea to the south. The work would be one of great magnitude and cost, involving the construction of an enormous weir several miles in length; but there appears to be nothing impracticable about the scheme. It would, however, probably turn out to be almost wholly unremunerative, since in most years artificial irrigation is not the least required in this country, and the undertaking will in all likelihood be at any rate deferred until those tracts have been ensured against the miseries of drought, where experience shows that calamity is likely to be of frequent occurrence. At any rate the scheme does not press for immediate attention, since the projects already undertaken in Bengal will afford abundant employment for a large engineering staff for some years. Of these the principal are the completion of the works in Orissa lately purchased from the East India Irrigation Company, which were taken over in a very unfinished state, and a great system of irrigation to be carried out in Behar from the River Soane. There are also some other considerable designs in course of being matured.

Such, briefly stated, are the plans which the Government of India has proposed to itself, to secure the agricultural well-being of the country. The scheme will involve a continued persistent effort, prolonged over many years, to bring it to a successful completion, and it is to be hoped that no untimely event or injudicious change of policy may occur to stop or retard the progress of the work. There remains only to notice the financial bearing of the measure, and the arrangements contemplated for meeting the great outlay to which the Government is committed. It has been explained that the funds for constructing these works are henceforward to be raised

by special loans, and it will be apparent from the experience furnished by former works of this kind, that the outlay, although highly remunerative indirectly, is not likely to give a direct return sufficient to cover the interest on the capital borrowed, at any rate for many years after the outlay takes place. During this time there will rest a large and increasing burden on the revenues of the country, unless some arrangement be provided for removing it. Experience shows also that the water-rate must be fixed at a very moderate amount if the irrigation from a new work is to be rapidly developed, while there would be grave objection to substituting a forced water-rate on the cultivators, in lieu of the present voluntary system, under which the former buys the water only when he wants it. So far therefore as regards the tenant, the means of obtaining increased returns are not available, or, at any rate, are not expedient, but it is now proposed to assess the proprietor of irrigated lands for benefits which he receives without at present contributing any return. In the districts where the demand for the land-revenue has been settled in perpetuity, and these include the whole of Bengal proper, the landlord contributes nothing towards the improvement effected by irrigation in the value of his estate; in other parts he pays nothing until his settlement expires, which may have as much as thirty years to run; meanwhile the whole charge is defrayed by the tenant who buys the water, and the general community which contributes the taxes. To remove this anomaly a Bill has lately been introduced by Colonel Strachey into the Legislative Council of the Governor-General, which provides among other things for the assessment of a rate on the proprietors of irrigated* lands, sufficient to make up any deficiency between the interest on the capital sunk on the work and the nett

* The bill says 'irrigable' lands, but the definition will certainly be limited in committee to lands which actually derive benefit from irrigation, to the exclusion of such as are merely capable of doing so.

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return from sale of the water. Certain limitations will apparently be needed in this measure, and will, no doubt, be provided, to prevent any possible abuse of the powers conferred by it; but, on the measure being passed, the financial difficulty in the way of prosecuting irrigation works will practically be removed, as well as the objection that the whole community has to be taxed for the benefit of a portion.

Value of roads and railroads as preventives of famine.

In conclusion, it needs hardly be said that, in furtherance of the object for which these undertakings are proposed, roads and railways go hand-in-hand with irrigation works. The one diminishes the ill effects of drought—the other mitigates the evil, by distributing the scarcity over a larger surface. Wherever roads and railways have penetrated, there the worst forms of famine have now become impossible. It was from the want of these that the famine was experienced in such intensity in Orissa. Happily, the number of such isolated districts is yearly diminishing, and, where good roads or railways exist, it will always be possible for the Government at least to keep the people alive. Scarcity will be substituted for famine, and the calamity will be partly shared by the more prosperous districts, in the form of a rise of prices. The excellent roads intersecting the North-west Provinces, and the railway then partially completed, quite as much as the Ganges Canal, rendered it possible, in 1861, to avert from their population the worst forms of famine.

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FINANCE.

CHAPTER XXII.

TAXATION.

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Limits of subject proposed. Recent taxation.

It will be proper to explain, at the outset of this chapter, that its object is not to present a complete view of the subject of Indian taxation. To attempt this, especially as regards the various taxes which have been long established, would require much more space than can be here allotted to it. All that will be now attempted is to offer a few considerations on the general subject, more particularly with regard to that branch of it which has principally engaged the attention of Indian financiers during late years—namely, the imposition of new taxes. Those who have had charge of the Indian finances since they became the recognised business of a responsible minister, have not interfered in any considerable degree with the system of taxation they found established. The principal items of revenue up to 1859 were derived from the land-tax, which furnished a larger sum than all the other receipts put together; from salt; and from the monopoly of opium. The development which the first item has exhibited of late years, has been due, not to any financial manipulation which it has undergone, but simply to the general increase of the wealth and population throughout the country. The collection of the land-

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revenue is indeed much more than a matter of mere finance, being intimately connected with the first principles of Indian administration. The salt-tax, the only one necessarily borne by the poorest classes, does not admit practically of much enhancement. The return from opium depends on the state of the demand for that article in China, and is a matter beyond the control of the Indian authorities. The attention of the latter has then been principally directed to obtaining an increased revenue from other and new sources; and it will be interesting to inquire here what has been the result of the measures taken in this view.

Financial crisis of 1859.

The new era in Indian finance, which is especially marked by the first introduction of direct taxation, may be considered to date from 1859. Up to that time, Indian taxation had assumed a stereotyped form; the general expansion of the revenue in its long-established channels, which took place from year to year, had been found to provide sufficiently for the growing wants of the empire, and no necessity had arisen for seeking out new modes of increasing it. But in 1859 there occurred what was deemed to be a financial crisis. Two years had then passed without any abatement of the high rate of war expenditure occasioned by the mutiny; military operations were still in progress; the army, instead of being reduced, was still in course of augmentation, as fresh reinforcements of European troops continued to arrive; while the resources of the Government immediately available in the first instance had become exhausted. How far the general impression of the intensity of this crisis was justified by the facts, will be considered presently; but it is at least certain that sufficient provision had not been made to supply the necessary ways and means for carrying on the business of government, and that a great temporary embarrassment was experienced in consequence.

New taxes and in-

Under these circumstances, two measures for increasing the revenue were hastily brought before the Legislative

Council by the Government: a graduated licence tax on trades and professions (which, however, never passed into law), and a large increase of the customs duties. The import duties were raised from 5 per cent. *ad valorem*, which almost all classes of goods had hitherto borne, to 20 per cent. on some, and 10 per cent. on others, cotton-piece-goods being included in the latter class, while the duty on cotton-yarn was raised from $3\frac{1}{2}$ to 5 per cent. A very high duty was placed on wines and spirits, and an export duty of 3 per cent. was also imposed on the principal classes of Indian products. At the same time, Her Majesty's Government took the opportunity of the occurrence of a vacancy in the Supreme Council, to appoint the late Mr. James Wilson, the well-known Secretary to the English Treasury, to the post which had hitherto been filled by an English lawyer, with the distinct charge of the financial business of the Indian Government.

Increase of customs duties proposed in consequence.

Appointment of Mr. Wilson.

Mr. Wilson assumed charge of this office at the latter end of 1859, and made his first (and only) financial statement at a meeting of the Legislative Council in the following February. His financial measures were of two kinds. First, the tariff established in the previous year underwent considerable alteration. The 20 per cent. duty, as might have been expected, had caused a considerable falling-off in the imports of the articles subject to it, and was accordingly reduced to 10 per cent. At the same time, the duty on cotton yarn, which had been treated exceptionally in 1859, was raised to the latter rate, so that the Indian tariff, generally, was thus brought to a uniform scale of 10 per cent. A few trifling articles continued to be excepted altogether from duty, while the high rate was maintained on wines, beer, and spirits, and the duty on tobacco was largely increased. At the same time, the export duties levied in the preceding year on wool, hides, hemp, jute, flax, and tea were taken off, on the ground that they interfered with the industry of the country. An export duty was, however, levied on salt-

His financial measures.

Alteration of customs duties.

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petre, it being alleged that, as this article was a monopoly of Indian trade, the tax would fall on the consumer only, and would not interfere with the manufacturer.

Income and licence tax.

The other principal measure carried out by Mr. Wilson was the imposition of an income-tax. This was fixed at 2 per cent. (or about $4\frac{3}{4}d.$ in the pound) on all incomes between 20*l.* and 50*l.*, and of 4 per cent. (or about $9\frac{1}{2}d.$ in the pound) on incomes above 50*l.* In addition to this, Mr. Wilson proposed a licence tax of 2*s.* per head on the working classes, 8*s.* on retail dealers, and 1*l.* on wholesale traders and members of professions. The Bill embodying these provisions was not however carried through the Council during that session.

Extension of stamp-duties.

Later in the year the stamp-duties underwent considerable alterations and additions, and their employment was extended to bills of exchange and receipts for money.

Mr. Laing succeeds Mr. Wilson.

Mr. Wilson's untimely death occurred in the autumn of 1860, and Mr. Laing, who had succeeded him at the English Treasury, was appointed in his place. The first year of Mr. Laing's tenure of office was not marked by any financial changes, but in 1862 a considerable step was made towards a return to the old Indian tariff.

Reduction of import duties.

The duty on piece-goods and yarn—which, being levied wholly on British manufactures, was stated by Mr. Laing to be not so much a customs as a transit duty between two parts of the British Empire—was lowered to the old rates of 5 and $3\frac{1}{2}$ per cent. respectively. The duty imposed by Mr. Wilson on tobacco, which was nearly 100 per cent. on the value of ordinary kinds, and had almost extinguished the foreign trade in that article, was reduced to 20 per cent. *ad valorem*. The duties on beer and wines—which, under Mr. Wilson's tariff, were as high on many kinds as 50 per cent.—were reduced one-half, except for the higher classes of wine.

Abolition of two per cent. income-tax.

With regard to the income-tax, it was found that while the 2 per cent. duty on incomes under 50*l.* produced only 350,000*l.* per annum, the cost of collection

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amounted to nearly 30 per cent. of the receipts; this part of the tax was therefore wholly rescinded.

Proposed licence-tax.

A bill for a licence-tax was also brought forward by Mr. Laing, but based on a somewhat different principle from that framed by his predecessor: the tax was to be levied only from the classes not liable to pay income-tax, who were to be assessed in three grades, at one, two, and three rupees respectively, this last sum being the highest demandable from any person. But the Act embodying these provisions was, for political reasons, suspended shortly after it became law, and before it had been carried into operation.

Appointment of Sir C. E. Trevelyan.

Sir Charles Trevelyan succeeded Mr. Laing in the latter end of 1862, and held office for three years, during which time the following financial changes were carried out.

Further reduction of import duties.

In 1863 the duty on iron was reduced from 10 to 1 per cent.; that on ale was lowered from 2 to 1 anna ($1\frac{1}{2}d.$) per gallon, at which it now stands; and a uniform rate of one rupee a gallon replaced Mr. Laing's discriminating rates on wine. The income-tax was lowered from 4 to 3 per cent.

Income-tax reduced. Import duties again lowered.

In 1864 the general tariff underwent a reduction from 10 to $7\frac{1}{2}$ per cent., and the duty on tobacco from 20 to 10 per cent. *ad valorem*. The export duty on saltpetre, imposed by Mr. Wilson, which had been found to interfere seriously with the trade in that commodity, was also reduced one-half.

Termination of income-tax. Proposed export duties.

In 1865 the income-tax, which had been imposed only for a term of five years, expired, and was not renewed. The export duties on jute, wool, hides, silk, tea, and coffee, which had been imposed in 1859, and taken off by Mr. Wilson, were re-established in this year by Sir C. Trevelyan; but the measure was disallowed by the Home Government, and was immediately cancelled.

Appointment of Mr. Massey.

Mr. Massey became Financial Member of the Indian Government in 1865. The following year is noticeable,

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Further reduction of duty on saltpetre.

from the present point of view, for a further reduction of the export duty of saltpetre to the old rate of three per cent. *ad valorem*, in the hope of recovering the now languishing trade in that article. But Mr. Massey's financial administration was principally marked by the imposition of a licence-tax, introduced in 1867. This measure had, however, no resemblance to those proposed by Messrs. Wilson and Laing. The latter were designed to reach the classes not liable to the operation of the income-tax; Mr. Massey's measure, on the other hand, excluded all persons on incomes of less than 20*l.*, and the impost in fact was a sort of graduated income-tax, the lowest contribution being 8*s.* and the highest 20*l.* It was estimated to increase the general revenues of the country by about one per cent., but the actual receipts were somewhat larger. In the following year the tax was taken off all incomes below 50*l.*, and the claim on the richer classes was increased, so that it ceased to bear any resemblance save in name to a licence-tax, and became simply one on incomes.

Licence-tax established.

Modifications made in it.

Increase of duty from law-stamps.

During the year 1867 the stamp-duties on law proceedings were considerably raised, mainly in view to applying the proceeds towards increasing the salaries of the native judiciary. This measure has been opposed, on the ground that a tax on justice is objectionable. But this objection—which is based on the well-known argument, that those derive most benefit from the institution of law-courts who have least occasion to resort to them, since the necessity for having recourse to the law is evidence of a failure of the law—is not so applicable to India as to Europe. In England a person bringing an action against another, has presumably a grievance to be redressed. In India, on the other hand, the records of the courts show that the majority of suits filed are founded on unreasonable claims. Practically, the only limit on the business imposed on the courts by the litigious people of that country is that created by the expense of the law; and were the courts made free of

cost, the whole judicial system would break down, from the stress of work brought on it. It is considered however that the duties have been fixed too high, and an Act for amending and reducing the rates has recently been passed.

Sir R. Temple. Licence-tax abolished. Income-tax re-introduced.

In 1868 Mr. Massey was succeeded by Sir Richard Temple, an Indian civilian. In this year the licence-tax was replaced by a certificate-tax, which in turn was succeeded in 1869 by an income-tax of one per cent.; this however was raised in the course of the year to two per cent., at which rate it now stands.* The salt-duties also were slightly increased under the pressure of a suddenly discovered deficit.

General result; abandonment of new taxes, and return to status of 1858.

This completes the history of the financial measures of the last ten years. It will be seen that their course has been towards a gradual abatement of the excessive export and import duties levied in 1859, the final result being that the system now in force is almost exactly what it was before the mutiny, the only important difference being that the import duties stand at $7\frac{1}{2}$ instead of 5 per cent., and that an income-tax is levied on the wealthier part of the community. The great increase of revenue which has occurred during this time has been due almost entirely to causes independent of the fiscal measures pursued.

Difficulty of increasing Indian taxation.

This statement of the case, which shows that the financial administration of India under five successive ministers has been marked by no originality of treatment, although the situation was eminently calculated to invite it, might be deemed sufficient evidence of the difficulty which in India besets any departure from the beaten track. The efforts to raise fresh taxes, under conditions which were deemed of such urgency as to require the utmost practicable enhancement of the public burdens, having resulted in the imposition of duties which proved so destructive of commerce that they had almost immediately to be remitted, and of an income-tax which affects

* It has just [April 1870] been raised still further to a rate of $7\frac{1}{2}d.$ in the pound.

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only the small minority and produces therefore only no very considerable return: such having been the only measures considered practicable, the difficulty of increasing the Indian revenues from new sources has thus received a practical demonstration.

This might be overcome by a new method of provincial finance.

There appears, however, to be good reason for thinking, that the difficulty which overlies the subject may possibly be due more to the restrictions with which it has been bound up than to any natural incapacity in the country for furnishing new sources of revenue. In a former part of this work* the opinion has been advanced, that the complications and political dangers which attend the levy of any new taxes that may be devised, arise mainly from the attempt, which has hitherto always been made on these occasions, to apply them to the whole of India. When this condition is attached to the measure, every new impost is discovered to be attended with special difficulties, because, whatever be its nature, there will be found some part of the country to which it is inapplicable. If this view be correct, then it would appear that, in order to obtain additional revenue, taxation must be varied, to suit the different circumstances of different parts; while, in proportion as this variation is carried out, will the degree of risk attending such a measure be diminished. What is needed is, in short, a system of local or provincial finance, to supplement the finance of the Imperial Government. This is the change of policy which the conditions of the case appear to indicate as appropriate. What, under this view, is required is a new method of taxing, rather than new taxes, the introduction of which may fitly precede a discussion on the detailed application of it.

Two-fold advantage of decentralising finance.

A decentralisation of finance such as I have advocated —a decentralisation, be it observed, not in the sense of weakening the control and authority of the Supreme Government, but under which its labours and respon-

* Chapter III.

sibilities would be shared by the different provincial governments; such a policy would have a two-fold effect. It would not only tend to develop the resources of taxation; it would also restrain the existing tendency to extravagance in expenditure which, much more than an inelastic revenue, is the cause of present financial difficulty. The position of the Indian Government in the matter of expenditure is altogether anomalous. In other countries, the officers by whom the public money is disbursed are the immediate servants of the central government, in one or other of its departments, and are therefore completely under its control. But in India, the disbursing agencies are in effect the various provincial governments, who, being in no way responsible for the general condition of the finances, naturally make administrative efficiency their first consideration. The officers of the finance department stationed in the different provinces have no effective control over the executive departments, and their functions are practically limited to recording the transactions which occur. Even when owing direct allegiance to the Supreme Government they are not able to prevent irregular expenditure, and have little or nothing to do with the receipt of the revenue. But the so-called controlling officers, in many departments, are the servants of the provincial governments whose proceedings they are supposed to control, holding office at their pleasure, and they are not always even informed of the grants allotted by the Supreme Government for expenditure within the province.

Anomalous condition now obtaining.

Thus, in effect, the general finance department is dependent rather on the forbearance and loyalty of the different provincial administrations for securing adherence to its estimates, than on the action of its own officers. The law invests the Supreme Government with the most complete authority in regard to every kind of expenditure, but there is practically no means of enforcing it, for the only effectual check against an abuse of their

opportunities by the local authorities must necessarily be reserved for serious cases of financial insubordination. Small breaches of rule cannot be treated with this gravity, and they will always be condoned by public opinion. That a body, which in all its outward forms appears little removed in dignity and importance from the Supreme Government of India, should in reality have none of the attributes of a government, but be merely the executive agent of the central authority, is a relation hard to be distinctly apprehended by the public either in England or India, while it is one which the subordinate authority continually chafes under, and struggles to escape from. Unfortunately, the efforts at liberty are made only in one direction. The Supreme Government is perpetually embarrassed by the occurrence of expenditure which it has not authorised, or which it would fain avoid, while no spontaneous efforts are made to assist it with additional revenue. The provincial governments have a direct and very lively interest in obtaining for their share the largest possible amount of the public expenditure. Their dignity and importance, and their popularity both with the public and with the services, will be enhanced by a liberal expenditure, as will also indeed their administrative efficiency and the prosperity of the country, while the local press will always be ready to applaud any instances of outlay incurred for local purposes against the wishes of the supreme authority. On the other hand, the provincial government has no immediate interest in increasing the revenue, for any addition made will not appear in any tangible form to the credit of the contributing province, but will be merged in the general revenues. Nor is it only, or even mainly, in matters of new expenditure that this embarrassment is created. No doubt the sentiment of obedience is usually sufficient to restrain the local authorities, even although there may not be the distinct means of enforcing it. But it is, perhaps, rather in cases where reduction in existing

expenditure is desired that the Government of India feels most distinctly its financial isolation. In such cases retrenchment has usually to be carried out, not only without the co-operation of the provincial governments, but often against their vigorous opposition. On these occasions the Government of India finds itself on one side, and all the local authorities arrayed on the other; while the latter, regarding the effect of expenditure merely as it increases their administrative efficiency, and being in no way concerned with the financial result, are always armed each with abundant reasons why reduction is impossible, or why, at any rate, it should not be applicable to their own province in particular. These ill-regulated financial conditions sufficiently explain the unsatisfactory relations so often obtaining between the supreme and subordinate governments, particularly those of Madras and Bombay, where the panoply of councils and ministerial officers with which they are surrounded renders their legal financial status especially incongruous, and because the privilege which they possess of corresponding directly with the home authorities often commits the Indian Government to expenditure against its own wishes. The same thing occurs more or less in every other quarter. There is everywhere manifested the same desire to secure administrative efficiency with the same indifference about the provision of the needful means. Thus India, in its financial aspect, is a federation of a most defective kind, in which there is no proper distribution of responsibility, and where, from the nature of the case, the interests of the central and local authorities are liable to be constantly opposed. The remedy for this state of things is to be found in that re-adjustment of the financial system already advocated, under which the contribution to be paid by each province to imperial purposes should be limited to a fixed sum, and the balance of its revenues should be available for its own expenditure. Another practicable arrangement

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would be, while retaining certain sources of revenue as imperial, to place others at the entire disposal of the local government, with the proviso that certain branches of expenditure which are now defrayed from the imperial exchequer should henceforth be met from these local revenues. Under either method the provincial government would be invested with a distinct financial responsibility and interest in financial success; and while such a redistribution would not only lead the way to new methods of taxing, it presents the only effective plan for putting a stop to the administrative extravagance which is the cause of the present financial embarrassments. None but a very strong government could resist the continued pressure put on it from all parts of the country for increased expenditure in every branch of the service, and the Indian Government has often been in its financial administration exceedingly weak. But let the provincial governments be thrown on their own resources, and they will soon learn to limit their wants by their available surplus; and that zeal for material progress which is now so often found in company with a lofty disregard for the ways and means of effecting it, will no doubt be succeeded by a more business-like and sober temperament.

New taxes how far necessary.

But although so much stress has been placed on the importance of entering upon a new financial policy, and providing a machinery suitable both for new taxation and restraining expenditure, it is by no means to be inferred that any immediate necessity exists or is likely to occur for resorting in any very considerable degree to either course. There appears in truth to be no reason for supposing that the Indian finances are or have been in such an unsound condition as calls for any extraordinary measures of relief. The contrary opinion might indeed appear to be at first sight justified by recent events, and especially by the large deficits which occurred in the years immediately subsequent to the mutiny, which were deemed to constitute a financial crisis calling for

Nature of financial crisis of 1859.

the most strenuous efforts to meet. But it needs hardly be remarked that an increase of national debt is not necessarily a cause or proof of financial difficulty. There is scarcely a government in Europe but has been steadily adding of late years to the national obligation of this class, and some of the periods marked by large additions to the national debt of Great Britain were also those of remarkable commercial prosperity. That prosperity would no doubt have been still greater if the public burdens had not increased at the same time, but clearly a government is financially better and not worse off if, while the interest on the debt increases, the revenue increases still faster, and if also the ratio borne by the interest of the public debt to the whole public expenditure is continually diminishing. Now this was emphatically the case with the Indian revenues during the period in question. The Indian debt amounted in 1857 to about 59½ millions sterling; in 1861 it had become 107½ millions, and the increased charge for interest arising on this account was a little more than 2 millions. This was no doubt a large addition of debt to be made in so short a time, although, considering the magnitude of the war which occasioned it, the sum was moderate enough in comparison with the ordinary rate of expenditure in modern European warfare; and, if it had occurred simultaneously with a state of stagnant or depressed revenue, there would certainly have been cause for the gravest anxiety. And a depression of trade and diminishing revenue might certainly have been expected, as a natural consequence from so great a political convulsion. But, so far from this being the case, scarcely had the country been reoccupied by British troops, when an extraordinary expansion of trade and increase of national prosperity took place, and in five years the revenue increased nearly 30 per cent. The revenue for 1856–57 was 31,588,000*l.*; that for 1861–62 (the first year of financial equilibrium) was 43,488,000*l.*, being an increase of 11,900,000*l.* The increased annual

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Deficit not due to unfavourable condition of finances;

expenditure for interest on debt, at the end of the same period, being 2,165,000*l.*, it thus appears that, on the whole, the revenue had improved during these five years to the extent of $9\frac{3}{4}$ millions. The public expenditure had also advanced almost at the same rate, but then this expenditure was to a very considerable extent under the control of the Government, since it arose in great part from undertaking public works and from enlarged establishments and improved administration in all departments of the public service, which, although very useful, were not absolutely necessary, and would certainly not have been provided if the needful money had not been forthcoming.

The supposed gravity of the financial crisis of 1859–60, therefore, disappears on examination. Even the fact that there was a deficit during the mutiny epoch would probably never have excited serious attention, but for the peculiar way in which the finances were dealt with. This deficit was as follows:—

1857–58	£8,401,285
1858–59	14,229,672
1859–60	10,769,861
1860–61	4,021,385
Total	£37,422,203

And had so formidable an amount arisen from ordinary or permanent causes it would have indicated a disastrous state of the finances; but, being simply war expenditure, it need have caused no serious anxiety, while it is equally clear, from what has been stated, that the removal of the deficit was not due to the financial measures taken, which, so far as they increased the ways and means of the Government, were altogether inadequate to meet the case. The deficit of 1859–60, stated above, was the balance resulting after the crushing import-duties had been laid on. The deficit of 1860–61 also was the balance remaining on the wrong side, after the income-tax and new stamp-duties had been imposed. So that it was not

the extra taxation which met the difficulty. But, in fact, those deficits should not, according to the ordinary methods of finance practised in European countries, have appeared in the Budget at all. They arose solely and directly out of the war expenditure, and disappeared with the cessation of the war. The reduction of the army to a peace establishment did not, indeed, follow immediately upon the termination of hostilities, for political considerations required that the country should be held in strength after it had been to appearance pacified. But the reduction was carried out so soon as it could be made with safety, and when accomplished the deficit disappeared. Now no European nation, in modern times, attempts to carry on war out of revenue. The burden of taxation may be increased for the time, to cover a part of the expenditure; but the specific proportion of the whole charge to be provided for in this way having been determined on, only this amount is shown in the Budget, and the rest is provided for by loans. There is no reason why Indian wars should be dealt with differently; and if the same course had been followed, the only thing noticeable during the mutiny epoch about the Indian finances would have been their flourishing condition. As it was, however, the whole war expenditure was shown on one side of the account; and, in place of borrowing definitively the sum required to cover the deficiency, an open loan was established, at a fixed rate of interest, the yield to be obtained from which was of course matter of complete uncertainty. The open loan, under the conditions attached to it, proved insufficient; hence a sudden deficiency of money, and the resulting panic.

but to insufficient provision for war expenditure.

The so-called financial crisis was not, however, without its uses. In the first place, the supposed necessity for economy led to a much more stringent reduction of the army than would probably have otherwise taken place. It cannot now be said that the public resources are undergoing any waste in maintaining a needlessly large

Advantages resulting from view taken of Indian finances in 1859:

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stringent reduction of army;

military force—a fortunate condition for any country in these days, and especially desirable in India, since every European in excess of what is absolutely required, retained in the enforced idleness of a soldier's career in a tropical climate, represents a needless expenditure of life and national power. The native army, everyone will admit, cannot be kept on too low a scale in peace-time, consistent with its performance of the work required. This important object was very completely attained in 1861,* for, although further reductions are now proposed, the propriety of making them is at least open to question, and it cannot be decidedly pronounced that the existing military force is larger than necessary.

reform of Indian accounts.

Another very important gain has been that the Indian finances have come to occupy their proper share of attention. Finance is now recognised to be in India, as well as elsewhere, one of the most important branches of administrative business; and with a distinct allocation of responsibility comes improved practice. This had always been a weak part of the Company's administration; while their system of account, though it may have been adapted to the wants of their mercantile establishments, had become to the last degree cumbrous and dilatory, and was utterly unfitted to the wants and circumstances of present times. Here then was a large sphere of action for a finance minister. A good system of account may not prevent bad finance, but good finance is impossible without a good system of account. And it is in this direction that progress has been made. Of finance in the shape of a redistribution or augmentation of the public burdens there has been little, the final result of what has been done of late years having been to leave matters pretty much as they were; but a reform of extreme importance has been made in the introduction of a methodical system of public account. Of

* I refer to numbers only. The Indian army is now organised on an extraordinarily expensive footing as regards the system of promoting officers, but with that the Indian Government has had little to do.

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such a task, the beginning made by Mr. Wilson was worthy of his high reputation; the work was carried on in the same spirit during the brief incumbency of his successor, while Sir C. Trevelyan's tenure of office was marked by a great advance in the same direction. Nor should any standard in this matter, short of the highest, be aimed at in India; for the circumstances of that country, where the Government is absolute, yet works under supervision —which is free from the complications which attend the parliamentary system, and from the delays occasioned by distant colonial establishments—are most favourable for the maintenance of precision and punctuality in recording the public receipts and expenditure. The Indian accounts ought to be the best in the world.

Deficits of recent years.

The stringent military reductions carried out in 1861, combined with a rapidly improving revenue and the proceeds of the small additional taxation which had been imposed, sufficed to bring about a financial equilibrium. The account for the year 1861–62 showed a deficit of only a few thousand pounds, and the next four years gave a moderate surplus. But in 1866–67 there was a deficit of $2\frac{1}{2}$ millions, and the balance has been on the wrong side ever since. The deficit of 1868–69 was $2\frac{3}{4}$ millions; that for 1869–70 was 600,000*l.*, and in consequence a very gloomy view of the financial condition of the country is not unnaturally held in many quarters. Before offering an opinion as to how far this is really justified by the facts, it should be explained that this excess of expenditure over income is due to two causes.

Their causes.

There has been a temporary check during the last five years in that gradual but rapid expansion of the Indian revenue which is its normal condition, due in part apparently to the general stagnation of European trade since 1866, and certainly to a succession of bad harvests in India, but also to a considerable fall in the price of opium; while no sufficient check has been placed on that tendency which the charges in all branches of the service

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show equally with the revenue to constant increase. The last few years have been characterised by a manifestation of extreme zeal for administrative reorganisation and improvement, resulting in decided administrative extravagance. The time has been prolific in 'revisions' of establishments in all the public departments, involving in every case a considerable increase of charge. Many of these, such as the reorganisation of the subordinate judicial service, undoubtedly constitute administrative reforms of great value which were urgently needed; but both these and others which were less pressing were carried out on grounds of administrative expediency, without reference in most cases to the ways and means of the year, or due provision being first made in the annual estimates for the resulting increased expenditure. Meanwhile the outlay on public works has been steadily increasing year by year, having risen from four millions in 1860–61 to nearly seven millions in 1868–69, exclusive of that charged to loans. Indeed this item alone accounts for the deficit; for had the outlay on public works remained at a constant rate, all the other items of increased expenditure might have been incurred and still left a surplus. A certain part of the so-called public works outlay is indeed obligatory, and a large part of it is required to meet pressing wants; but there remained a considerable margin for reduction had it been thought necessary, and these large grants were undoubtedly made only because it was supposed they could be afforded. For the peculiarity of these late deficits is that they have in each case been unexpected. The estimates have been framed to show a surplus, but the accounts have closed with a balance on the wrong side. This has been partly due to defective estimates in the first instance, but still more to the inconsiderate way in which it has been the fashion to sanction extra expenditure during the course of the year. What in fact has occurred has been bad financial management, not a bad state of the finances.

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How far indicative of unsound financial state.

These facts sufficiently explain that however unsatisfactory the late deficits may have been, there is really nothing in the state of the Indian finances to cause serious anxiety. A country which can afford to spend five millions a year on public works out of its revenue, cannot be regarded as in a bad financial condition because it spends an additional couple of millions in excess of the revenue, more especially when it is considered that many of the objects on which public works outlay is incurred might, without straining the term, be fairly viewed as capital expenditure and defrayed from loans. Such is the large outlay now taking place on the new barracks in course of construction all over the country, which are estimated to cost ten millions, and which being in the nature of a permanent work which will be completed within a definite time, and will not require renewal, might without impropriety have been constructed with borrowed money after the precedent afforded by the English fortifications. The balance of reasons seems certainly to be in favour of not doing so, because although this particular charge is not likely to recur, each year may be expected to bring its own peculiar burden in some shape or other, and it would be scarcely prudent for a government situated like that of India to borrow money in a time of peace for an unremunerative object. Similarly with regard to roads, which although unquestionably remunerative are only indirectly so, it has been determined not to undertake them from loan funds, and they have therefore been charged to the revenues of the year. But when the reasons for and against admitting the incidence of a charge in this way are so nicely balanced, it cannot be said the deficit is of a serious character which is due to this class of expenditure, since it might have been provided from loans without any sensible impropriety, and then the deficit would have disappeared. The mistake made has been in first affirming the opposite principle and then virtually acting upon this one; for since deficits

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must sooner or later be covered by loans, these works in effect have been constructed by those means, although such a result was not intended.

Remedial measures.

As to the remedial measures needed for restoring a financial equilibrium, there is in the first place considerable room for retrenchment in public works expenditure. Even with respect to that part which is applied to what are regarded as obligatory services, namely the construction and maintenance of the buildings required for the various public departments, the liberality with which the constantly expanding grants have been supplied has naturally led to a more expensive style of building than formerly sufficed, and to new demands often in excess of what is reasonable. Even in those parts of India where this tendency has not been manifested, there will always be room for at any rate some temporary restriction of expenditure. Improved court-houses and substantial police-barracks may be desirable from an administrative point of view, but works of this class can always be deferred for a season without serious inconvenience, while all experience shows that this is a kind of expenditure which cannot be regulated by any supposed standard of ultimate completeness; that the wants are practically illimitable and grow with increased outlay, and that the only practical way of dealing with the case is to limit the expenditure by the income available. As to roads, which form the other great branch of outlay, the considerations offered in my nineteenth chapter will show that no practicable expansion of the imperial grants would suffice to supply what is needed for their extension, and that the only way of meeting the wants of the country in this respect is by distributing the burden over the different provinces, to be borne by local resources. The effect of this will be to reduce the annual grant for public works (exclusive of the great expenditure from loans on railways and canals) to what it was a few years ago, about four millions. If it be kept down at this figure, and if a

check be placed for a season on that expansion of public establishments in all departments which is such a striking feature of recent administration, the growth of revenue will speedily bring about an equilibrium. The Indian Government has, in fact, been anticipating its means, certainly with the most praiseworthy motives, but still beyond what is prudent. And to put a stop to these deficits heroic remedies are not needed, but simply that the public expenditure should be kept down temporarily until it is overtaken by the revenue, instead of being suffered continually to expand a little in advance of it. The yearly expenditure has increased by nine millions in nine years. If this increase had been spread over twelve years, the financial difficulty would not have arisen.

Rapid expansion of Indian revenue.

How far this expansion of revenue on which so much stress has been laid can be relied on, may be inferred from the following figures:—

Year ending April	Revenue £
1800	10,485,059
1810	15,655,985
1820	19,230,462
1830	21,695,208
1840	20,124,038
1845	23,666,246
1850	27,522,344
1855	29,024,671
1860	39,602,850
1865	45,395,384
March* 1870	50,028,308

During the last thirty years the revenue has increased on the average at the rate of a million a year. A part of the increase is due to increase of territory, a part to increase of taxation, and a part is merely nominal, having arisen from the substitution of gross receipts and charges in place of net receipts in some branches of the public

* In 1867, the beginning of the financial year was altered from end of April to end of March.

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accounts; but the main causes of the increase in late years are increased commerce and national wealth, while it may reasonably be expected that the advance will become still more rapid as the means of communication and trade throughout the country are more fully developed. The decline in the price of opium is certainly ominous, but it would be idle to pursue any speculations on this point, for were this great source of revenue to fail, measures would be needed to replace it of a kind which could not be undertaken except under so great an emergency, and which therefore need not be discussed in connection with present probabilities. On the other hand, the revenue from the customs is now only $2\frac{1}{2}$ millions sterling, a perfectly insignificant amount to be collected from nearly 200 millions of people. It seems impossible but that, as the prosperity of the country advances, the improved condition of all classes should not before long be reflected in an increased demand for European products; and if once this want is acquired, a development of the hitherto almost stagnant customs revenue may be looked for, such as will bring it up to an appropriate place in the Indian Budget, more resembling what it occupies in the finance of European nations. Should this change take place, the Indian revenues would probably then increase at a rate far exceeding what has occurred hitherto; but, even at present progress, they would amount in twenty years to seventy millions sterling, or nearly as much as the present revenues of Great Britain.

Prospective development of customs.

But the main item of Indian revenue is derived from the land, and it is from this source that the largest increase is to be expected. In Bengal, indeed, the demand of the Government as landlord has been fixed in perpetuity, and as the rent is payable in money, the burden on the renters has been in effect very largely reduced since the assessment was made, owing to the great fall in the value of money since that time with respect to the

The revenue from land.

produce of land. But in the rest of India* the assessments are made for terms of from one to thirty years, and there appears no reason why these assessments should not keep pace with the increase in the value of the land and its produce. There is not wanting, indeed, a considerable body of Indian statesmen who advocate the extension of the perpetual settlement to the rest of the country, urging that the fixity of tenure thus created, by increasing the value of the land, and encouraging the investment of capital by the landholders in the improvement of their estates, would indirectly more than compensate the Government for the prospective gain in land revenue surrendered, since a great impulse would thus be given to the production of wealth throughout the community. And it is singular to remark that this theory, which, whatever might have been the chance of indirect benefit offered by its adoption, would have cut off a certain source of increased revenue, was most in favour at the time when the Government was in its greatest financial difficulties, and was seeking in every direction to find new objects for taxation. It was in vain that the opponents of this plan contended that the facts did not bear out the theory, and that the permanently settled country afforded no sign of a more vigorous application of capital or a more advanced agriculture than the other parts of India, but that on the contrary it was conspicuous for the indebtedness of the landlords, and their general indifference to the improvement of their property. The famine of 1861 happened while the discussion was at its height, and was gravely adduced as proof of the superiority of perpetual settlements, because it so happened that those districts which suffered from it were held on temporary leases. And the advocates of the former system of tenure would probably have carried the day if the still more awful disaster of 1866 had not demonstrated that starvation comes

* A part of the North-western Provinces also is subject to the perpetual settlement.

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from want of food, and not from the absence of a perpetual settlement. Latterly a great change has come over public sentiment in this matter, and there would now appear to be a general agreement of opinion that the State should not surrender its share of the increase in value of this great item of the national wealth, while it appears also to be generally agreed that the objections to temporary settlements, and the uncertainty which they attach to the tenure of land, would be satisfactorily overcome by fixing in perpetuity the *share* in the produce of the land which should be taken as rent by the State, while the amount to be paid for that share should be determined from time to time by the price of that produce.

Prosperous state of Indian finances.

Such, then, is the financial position of India. With a revenue second only to those of the three greatest countries of Europe,* and a comparatively light debt, it is able to undertake obligations of a kind unknown to any other State, without any excessive strain on its resources. A government by foreigners is costly in some respects, but, as a set-off, India is not called upon to support a navy, and an army exceptionally small in comparison with the size of the country and population suffices for its defence. New obligations may arise; but immediate relief can be obtained to the finances, at any time, by a redistribution of the charges for public works; while, should the necessity arise, it is impossible but that a country which, if comparatively poor, is yet taxed in an extraordinarily light degree, should not be able under proper financial management to afford new sources of revenue. The satisfactory determination of this point probably awaits a transference of the duty of raising revenue to the provincial governments. On the whole it may be said that

* Revenue of France £79 millions.
„ Great Britain 75 „
„ Russia 57 „
„ India 48 „

if the financial state of India is one of present embarrassment, this is due to a merely passing difficulty arising from temporary and easily preventible causes, and that in reality the finances of that country are readily capable under good management of being placed in a thoroughly sound and prosperous condition.

Revenues and Expenditure of India.

Revenues	1868–69	1869–70	1870–71 Estimate	Expenditure	1868–69	1869–70	1870–71 Estimate
	£	£	£		£	£	£
Land Revenue	20,246,575	21,537,278	21,023,632	Interest on Public Debt	6,208,476	6,123,841	6,214,540
Tributes	687,363	765,143	737,073	Land Revenue and Forest	2,745,972	2,780,144	2,935,152
Forest	407,342	476,090	588,780	Customs, Excise, Salt, Opium, Stamps, and Assessed Taxes	2,696,611	2,838,452	3,117,800
Excise	2,283,736	2,245,700	2,285,000	Mint, Post Office, and Telegraph	1,493,360	1,373,129	1,415,210
Assessed Taxes	508,700	1,051,600	2,180,000	Law and Justice	2,845,447	2,885,840	3,064,538
Customs	2,692,755	2,416,500	2,416,500	Civil Services	2,172,519	2,273,782	2,313,217
Salt	5,588,240	5,842,350	6,177,370	Police	2,476,580	2,440,900	2,319,964
Opium	8,453,365	7,953,800	6,922,281	Education	599,858	614,032	680,530
Stamps and Court Fees	3,201,827	3,146,700	3,234,800	Stationery and Printing	397,704	362,600	341,250
Mint, Post Office, and Telegraphs	1,176,077	1,110,417	1,083,616	Political Agencies	349,855	422,880	313,675
Police	277,237	265,960	251,966	Allowances under Treaties	1,778,358	1,892,850	1,787,090
Education, Interest, and Miscellaneous	1,609,063	1,845,980	1,181,769	Miscellaneous	831,083	1,033,863	985,192
Army and Marine	1,821,108	1,214,290	1,001,840	Pensions	1,669,968	1,249,572	1,376,253
Public Works	224,653	156,500	117,870	Army and Marine	17,410,211	17,742,001	16,529,141
Railway Traffic Receipts	2,479,617	2,914,174	3,125,258	Public Works	6,272,334	5,040,395	3,998,400
				Railways, principally Interest on Guaranteed Capital of Lines	4,483,352	4,493,795	4,769,063
Total	51,657,658	*52,942,482	52,327,755	Total	54,131,688	53,568,076	52,164,315
Deficit, excluding Public Works Extraordinary	2,774,030	625,594		Public Works Extraordinary (State Railways and Irrigation Works)	1,370,613	2,616,743	3,062,300
				Grand total	55,802,301	56,184,819	55,226,615
Deficit, including Public Works Extraordinary	4,144,643	3,242,337	2,898,860	Surplus, excluding Public Works Extraordinary			163,440

* The amount shown at page 451 as the revenue for 1869–70 is less than this by 2,914,174*l.*, the amount of the railway traffic receipts, which have been brought into the public accounts for the first time during the present year (1870).

CHAPTER XXIII.

THE INDIAN CURRENCY.

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Standard coin of India, the rupee.

THE standard coin of British India is the Rupee, a silver piece, containing eleven parts of pure metal and one part of alloy. It weighs 180 grains troy; its value is nearly one-tenth of a pound sterling. Half, quarter, and half-quarter rupees are also circulated, and the silver money is supplemented by a copper coinage. The rupee is also the unit of weight: 180 grains troy make one tola, and 80 tolas one seer, which is the standard weight of British India.*

Proposals made in 1860 for a gold coinage.

The great production of gold during late years has naturally given rise to proposals, that the example set by France, the United States, and other countries, should be followed in India, either by the substitution of a gold for a silver standard, or the introduction of a supplementary gold coinage. These proposals first assumed a definite shape shortly after the mutiny, simultaneously with a great development of trade in India, but did not at that time find favour with the Government. The late Mr. Wilson, who had then charge of the financial business of the administration, argued that, inasmuch as the price of gold was falling relatively to the price of silver, it would be a breach of faith with the public creditors to replace the silver standard of money by one of gold. The State, said Mr. Wilson, having contracted a debt of a certain

Mr. Wilson's objections to the measure;

* By an Act lately passed (1870) the weight of the standard seer (or ser) has been slightly altered, and made to correspond with that of the kilogramme.

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amount of silver, cannot convert that obligation into one of its present equivalent in gold, because, since the value of gold tends to fall with respect to silver, the creditor would probably be mulct a certain portion of his debt when it came to be repaid. From which it was to be inferred that, in the interests of public morality, India must be condemned to maintain her silver money, even to the end of time, so long as the relative value of the two metals tends in the same direction as at present.

how far valid.

But this objection does not appear to be conclusive against making the change, because it would manifestly be practicable to couple with it a condition, that any ascertained loss, due to the fall of gold, should be made good to the public creditor at the time of his debt being repaid. But, in fact, the Government does not usually undertake an obligation to repay its creditors in any form. All that it undertakes to do, in most cases, is to pay them the interest on its debts. And, as regards the coin in which that interest is payable, there is no guarantee that the interest shall be always worth, absolutely, what it was at the time when the debt was contracted. That interest is, no doubt, under existing agreements, payable in silver; but it is more likely that the value of silver should fall, with respect to commodities generally, than that gold should fall with respect to silver; at any rate the creditor's loss from the former cause is likely to be much greater than what would arise from the variations in value of the two metals. When, moreover, we bear in mind the fluctuations constantly taking place in the saleable value of government securities, from various causes; that the depreciation due to a decline in the value of gold would, probably, be quite inconsiderable compared with what is frequently occasioned by political events; and that the public creditor buys his share of the government debt with a full understanding of the risks to which the property itself (and not merely the interest on it) is subject,—the insistence on a

State obligation to pay silver instead of gold, because the original debt was incurred in the former, would appear to savour of over-refinement, and to be supported on a verbal rather than a real foundation. If it is not competent to the Government, in the public interest, to substitute a gold for a silver standard, because the change might possibly cause a small depreciation eventually in government securities, it should be equally incumbent on the Government not to undertake any measure which would have the effect of sending down the price of stocks.

Sir C. Trevelyan's proposal to make the sovereign current at 10 rupees.

However this may be, the idea of introducing a gold coinage has not been abandoned, and various plans for the purpose have been lately under the consideration of the Indian Government. One of these, proposed by Sir Charles Trevelyan, during his tenure of office as Financial Member of the Governor-General's Council, was simply that the English sovereign should be made a legal tender for ten rupees. The scheme was not a very promising one, inasmuch as that, at the time when it was brought forward (1864), the sovereign was saleable throughout India at from $10\frac{1}{8}$ to $10\frac{1}{4}$ rupees, although the price of silver was then exceptionally high, owing apparently to the great demand for the metal in Europe to remit to India for the purchase of cotton. The Secretary of State accordingly declined to sanction this proposal, on the score that it would be inexpedient to enact a law which would probably be quite inoperative, but he agreed that sovereigns should be received at all Indian treasuries in payment of claims due to the Government, at the rate of 10 rupees each. This rate has recently been raised to $10\frac{1}{4}$ rupees, but as the sovereign also has risen in price the measure has had no practical result.

Proposal to force the sovereign into currency by restricting

Another plan proposed for monetizing the sovereign in India, is to reduce, or stop altogether, the coinage of silver at the Indian mints. It is expected, by the advocates of this plan, that gold would thus be necessarily

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coinage of silver.

sent instead of silver to India to be coined, as the only available means of remittance; and that silver coin, becoming scarce, would eventually attain to a higher than its natural value with respect to gold, which would enable the sovereign to become current at the rate of ten rupees. That such a restriction might eventually have the desired effect seems possible, provided that the course of trade continues to require the shipment of specie to the East; but it seems clear that the effect would be produced at the cost of enhancing the value of the existing silver currency. A sovereign is now exchangeable in India for about $10\frac{3}{8}$ rupees, and were the coinage of silver to continue unrestricted, many years might pass before it fell sensibly below that ratio, even if it ever did so; if, then, by restricting the coinage of silver, the sovereign is forced into an equality with ten silver rupees, it will really be the price of silver coin which is raised, and not the value of gold which is lowered. The rupee would, in fact, have come to occupy the same position as the shilling in England, and would constitute a token coinage, circulating at a greater value in its coined form than the uncoined metal possesses. Considering however the enormous amount of the silver currency now in circulation, such an effect is not likely to be produced within any reasonable limit of time, and the scheme does not appear to be recommended on practical any more than on moral considerations.

Third proposed plan, introduction of a gold coin worth 10 rupees.

A third proposal which has been advanced on this head affords at first sight more promise of producing a practical result. The advocates of this plan, accepting the fact that the sovereign cannot be equalised with the value of ten rupees, except by arbitrary legislation, give up, as impracticable, the idea of introducing that coin into India, and would establish instead a gold coin of the exact present value of ten rupees, making it a legal tender equally with silver throughout the country. Since gold is assumed to be gradually, but slowly, falling in

value with respect to silver, it would under this view become in course of time more profitable to the importer to send gold than silver to India; the coinage of the latter metal would gradually cease, and, as the silver coin already in the country became gradually absorbed in the process of circulation, or passed away to other countries where a silver currency was still maintained, the double standard would eventually merge in a single coinage of gold, with supplementary coins in silver and copper; and thus this important change would be carried out almost imperceptibly by a self-acting machinery, without any sensible derangement of commerce, or of the value of property.

Probable retardation of effect from change.

It has to be observed, indeed, that such a measure would contain within itself the elements for retarding its own effect. If a new and extensive demand were to be created for gold, such as would arise on its admission to the currency of a great country like India, this would necessarily tend to keep up the price of gold relatively to other commodities, including silver. The same cause would tend to prevent a rise in the price of silver, one of the principal markets for that article being closed. The circumstances of the Indian currency would therefore be very different from those which attended the operation of a similar measure in France. In the latter case, the introduction of a gold currency took place simultaneously with a great demand for silver for exportation to the East. Silver was thus withdrawn from France and replaced by gold, and a gold currency was established very expeditiously in that country. But the same thing cannot happen in India. It is not likely that—at any rate for many years to come—any extensive export of the precious metals can take place, and therefore a gold currency of the kind proposed cannot be made to take the place at once of the existing silver currency. Gold may eventually be the only metal sent to the mint to be coined; but, since the existing stock of silver

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in India is very great, a long period must elapse before it disappears from circulation. Indeed, the opening of this extensive new field for the employment of gold might tend to sustain, for an indefinitely long time, the existing relative values of the two metals, during which the slow but certain process of the demonetization of the the silver might be disguised under the apparent existence of a double standard. Such a state of things has never occurred before in any country; but it does not follow that, under the special circumstances of the case, it would be attended with any practical inconvenience.

Indefinite character of proposal.

This proposal is open, however, to the fundamental criticism that it does not define what is the exact value of ten rupees in gold, and that the effect of the scheme must depend entirely upon this definition, and consequently upon the weight determined on for the proposed ten-rupee coin. The price of silver in Europe expressed in gold currency does not necessarily determine the price of gold in India expressed in silver currency. At the present price of silver in Europe the sovereign is intrinsically worth about $10\frac{5}{8}$ silver rupees, whereas the ordinary selling price of the sovereign in India is from $10\frac{1}{4}$ to $10\frac{3}{8}$ rupees. This depreciation is supposed to be due to the fact that gold is merely an article of commerce in India, and is not employed in that country for the purpose which elsewhere causes the principal demand for it. But there being this depreciation, it is evident the sovereign could not be forced into currency if made a legal tender in India at this depreciated value. Any sovereigns brought into circulation at this rate, say in payments made by the Government, would inevitably be at once withdrawn for transmission to other countries where the gold coinage was not depreciated. The establishment of a supplementary gold coinage at a depreciated value is manifestly a thing impracticable, and if attempted must prove quite inoperative. If, on the other hand, the gold coin were fixed on the basis of the exchangeable value of

gold and silver in Europe, that is to say, if a ten-rupee gold piece were struck such that ten and $\frac{5}{8}$ths of them should be equal in weight to ten sovereigns, this coin would be invested with a value greater than the same quantity of uncoined gold bears in India, and could therefore only find a circulation as a token coinage, at any rate in the first instance, to be taken as a matter of convenience in small sums. Its circulation would, however, be supported were the Government to receive it in payment of all claims for revenue, and the ultimate result might be to bring the value of gold in India up to the level it occupies in other countries, when of course the gold coinage would circulate freely. On this point being reached, silver might be replaced by gold as the standard, and the substitution would have been effected without any violent or arbitrary interference with the natural value of the two metals. But the process of conversion would probably be a long one, and so many causes might arise in the meantime to disturb the relation of those values that the scheme can hardly be deemed to possess more than a speculative value. All that can be said of it is that it could not do any harm, and might prove successful.

Plan considered for bringing the Indian coinage into unison with the proposed international currency,

But while the introduction of a gold currency into India is under consideration, the question naturally arises whether the opportunity should not be taken to join in the great scheme for establishing a universal currency, which has already made such considerable progress. Four European States (France, Italy, Belgium, and Switzerland) have already established their coinage on an uniform basis, the object of the convention agreed upon being that the gold and silver coinage of the four countries should be identically the same in weight, size, and value, though each country should issue money stamped with its own distinctive emblems, and even though the name of the coin should not in all cases be the same. The French 5-franc-piece has been adopted as the stan-

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dard, both in gold and silver; and the coinage of the other three countries has been altered to correspond, so that the money of the four countries is mutually interchangeable. There are expectations that the United States and England will join in the arrangement, when the rest of the world must follow the example. Now, then, is the favourable opportunity for India to come into the plan, while the introduction of a gold coin is being effected for the first time.

involving alteration in weight and fineness of rupee.

The nature of the change to be made will be readily apparent. The franc having been adopted as the unit of weight and fineness, and the value of gold coins having been taken to be $15\frac{1}{2}$ times that of silver coins of equal weight, every nation joining in the currency federation must adopt the same standard of fineness and relative value of the two metals, and must employ a coin which shall be an even multiple (or fraction) of the weight of the franc. To bring England within the federation, the sovereign must be slightly reduced in value, to make it exactly equal to twenty-five francs, so that sixteen sovereigns may contain precisely the same amount of gold as twenty napoleons. At present the former have a slight excess. To assimilate the Indian currency to the new standard would also involve an alteration of the rupee, both in weight and fineness, so that one rupee may be exactly equal to two-and-a-half francs, or eight rupees to one napoleon. The rupee contains 180 grains of metal of $\frac{11}{12}$ fineness, or 165 grains of pure silver. The 5-franc piece weighs 25 grammes, and has a fineness of $\frac{9}{10}$, therefore $2\frac{1}{2}$ francs of standard silver money* contain 11·25 grammes, or 173·614 grains troy; so that the rupee would require an addition of 8·614 grains of silver, which is equivalent to ·0522—or about 5 per cent.—of its own weight. The gold currency would of course be of the same fineness and relative weight to silver as the

* The five-franc piece is the standard silver coin; the franc is merely a token.

French gold coins, and if an 8-rupee-piece were struck—to be called, let us suppose, a *victoria*—it would be identical with the napoleon in everything but the impression stamped on it, and each coin would pass freely everywhere in place of the other; while the English sovereign, if altered to the same standard, would become current in India as the equivalent of ten rupees. This proposal of course involves the assumption that silver would continue to retain its value with respect to gold. The French gold coinage being current for $15\frac{1}{2}$ times its weight of silver, the latter metal should bear a slightly greater market value, if the introduction of a gold currency is to be ensured.

Difficulties presented by it.

This change in the Indian standard would certainly be considerable, although not so great as that carried out some years ago, when the Company's rupee was substituted for the Sicca rupee. The measure would involve the employment, for a time, of a double standard of account; it would probably be necessary that, for some years, all monetary transactions which had their origin at a date prior to the change should be expressed both in the old and new currency; and the reform would certainly be attended, at any rate in the first instance, with a considerable degree of trouble.

A still greater objection is to be found in the inconvenient rapidity with which, if this plan proved successful, silver would be demonetized, and the loss that would occur to all creditors by establishing a standard for the value of gold coin with respect to silver coin, greater than it already possesses in the uncoined form. At the time when the French standard was adopted, of $15\frac{1}{2}$ to 1, gold bore actually a greater relative value; and it was not until it fell below that ratio that this metal gradually superseded silver as the currency of France. But were the French standard to be adopted in India, all creditors paid in gold would not only run the risk of prospective loss from a further fall of gold, but they would at once undergo

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the loss due to the fall that has occurred already. Against these inconveniences are to be set the advantage to be gained in the greater simplicity that would be thus introduced into the monetary transactions between India and European countries; but, considering the comparative isolation of India, it may be doubted whether the gain would be worth the inconvenience. The settlement of the matter, however, probably depends on the action taken by England. If the English currency is brought into harmony with the new scheme, that of India will no doubt also require to be altered. But public opinion in England, as represented by the report of the late Currency Commission, is at present opposed to the change.

Proposal for raising value of silver coinage by seignorage.

It should here be mentioned that a plan has been proposed * for effecting the introduction of the sovereign into India as the equivalent of ten rupees, without altering the weight of the latter, which would also be applicable in case of the sovereign being adapted to an international coinage. This is to increase the seignorage on silver coinage in India, which it might be necessary for this purpose to fix at as much as six per cent.; but although such a plan would probably have the desired effect, it seems clear that it would also have the effect of raising the value of the existing silver coinage by the same amount. The case would be analogous to that of the sudden imposition of an import duty. If, for example, a duty be placed on tea, the effect is the same, with regard to the holders of existing stocks of tea, as if they had been presented with the amount of the duty on those teas, since the price of the article rises at once to a point which will afford the usual trade profit to those who import tea, after the duty has been laid on. In the same way, if the value of the silver coinage is suddenly raised to a par with a gold coinage, by the imposition of a seignorage, the silver already in circulation is also raised

* *Remarks on a Gold Currency for India, &c.*, by Colonel J. T. Smith. London, 1868.

in value by the amount of the seignorage, and the holders of it benefit accordingly, at the expense of the general community.

Is a gold currency desirable for India?

But although, in the interest of commerce, gold recommends itself under the present state of the precious metals as the most suitable medium of currency, and the change appears to be needed, if only to restore the equilibrium between the production of silver and the demand for it which the drain of that metal to the East during late years has so greatly disturbed, it appears at least questionable, as regards the people of India generally, whether a gold currency is needed, or even desirable. At any rate, the point cannot fairly be taken for granted, as it has hitherto been customary to do when discussing the matter. For a people, the rate of whose ordinary monthly wages is less than the proposed new gold coin, and the course of whose daily transactions involves an extraordinarily minute subdivision of money (even the Indian farthing being decomposed into a number of parts), a silver standard would appear to have a great deal to recommend it. Those only who are concerned with large amounts of money find inconvenience from the bulk of a silver currency; and for these classes the difficulty may be overcome as well by a paper as by a gold currency, while, in many respects, the former is the more beneficial to the country. Accordingly, to a consideration of the Indian paper currency we now propose to turn.

Indian paper currency. Former issues of Presidency Banks.

The three 'Presidency' Banks, as they are termed, established under government control at Calcutta, Madras, and Bombay, used for many years to employ a note circulation, under the terms of their charters. As these notes were, however, not a legal tender, their circulation extended only a short distance into the country, and the total amount of them never exceeded five millions sterling, a very inconsiderable sum compared with the silver coin in circulation.

This was the state of things when Mr. Wilson came to

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Mr. Wilson's scheme for a Government paper currency.

India, in 1860, and unfolded his measure for a Government Paper Currency. The general features of that measure were in accordance with the principles which its author had for many years so ably advocated in the *Economist* newspaper. Mr. Wilson, it need hardly be said, belonged to the minority which is opposed to the principle of the Bank Charter Act of 1844; and, in place of the English system of issuing all notes in excess of a fixed amount against coin, he proposed that the coin to be held in reserve for the payment of the notes should vary with the paper circulation, and be not less than one-third of the latter, the remainder of the notes being protected by government securities, to be purchased and held in trust by the Currency Department. Thus, supposing the total issue of notes to be nine millions sterling, in exchange for which the same amount of coin was received, the Currency Department would not have been required to retain more than three millions of the coin as reserve; the rest would have been invested in government securities, held available to be converted into cash, should the reserve of coin fall below the required limit of one-third the amount of the paper in circulation. To that extent, therefore, the Indian debt would have been in effect reduced; and if the paper-currency became hereafter largely extended, as Mr. Wilson no doubt expected, the eventual relief to the finances would have been very great.

Currency circles.

In view to secure the ready conversion of the note, Mr. Wilson proposed to establish no less than seventeen separate Currency Circles—grouped in three main divisions—at the office of each of which the notes would be exchanged for coin on presentation; but, in order to protect the Government from the necessity for finding cash at the outlying circles, to meet notes remitted from the seaports to the interior for the purposes of trade, as well as to guard against a run on any particular circle, it was provided that notes should not be a legal tender except

within their own circle of issue, and that payment for them could be claimed only at its local office, and at the head-office at the presidency town to which the circle office was subordinate.

Mr. Laing's scheme.

How far Mr. Wilson would have succeeded in carrying out his scheme—the development of ideas which he had advocated for many years—in face of the opposition naturally to be expected from a Secretary of State who had been always a consistent supporter of the principles embodied in the Bank Act of 1844, cannot now be told. His untimely death left the other school of economists masters of the situation; and the scheme propounded by his successor, Mr. Laing, bore no resemblance to the original plan. Mr. Laing's measure, which was in close imitation of the Act of 1844, provided that the Indian Government should be at liberty to issue notes to the extent of four millions sterling against securities—that is, that the coin received in exchange for the notes might to that extent be invested in government stock. This sum was the minimum amount of the issues of the three presidency banks, and therefore the lowest sum to which a government currency would under any circumstances be likely to fall: the coin received for all notes in excess of this limit was to be held in reserve by the Currency Commissioners. Mr. Laing further proposed to do away with the separate currency circles, or rather to reduce them to three, having their offices of issue at Calcutta, Madras, and Bombay; and to develop the note circulation through the agency of the presidency banks, which, in consideration of certain advantages accorded them, covenanted to establish branches throughout the country, where the government notes were to be cashed on presentation—the banks undertaking the expense of remitting specie up the country to meet the demands on these branches. Sir Charles Wood, however, who was then Secretary of State for India, disallowed that part of the scheme which contemplated the employment of the banks;

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and required that the management of the currency should be undertaken directly by the Government. Some delay arose on this account, and at the time when Sir C. Trevelyan succeeded Mr. Laing, little had been done in the matter, beyond issuing Government notes at the presidency towns, in lieu of those withdrawn by the banks. Notes had not been made a legal tender in the interior, and the mode of providing for their circulation there was still unsettled.

Measure actually carried out.

The measure finally carried out during Sir C. Trevelyan's tenure of office, and now in force, combines some features of both Mr. Wilson's and Mr. Laing's schemes. The mode of regulating the reserves of bullion and securities is the same as that proposed by the latter, but circles of issue and separate circle notes have been established. The former are plainly a necessity in so extensive a country as India. The fact that a note is payable on presentation at Calcutta will not render it current at Delhi or Lahore. To make a note readily current, the place at which coin can be obtained for it must be near at hand; and it was in this view that Mr. Wilson proposed to have a large number of comparatively small circles, which, although inconvenient in other respects, tended to secure the ready convertibility of the note. Under the arrangement actually carried out, the number of circles has been reduced to ten,* and the extent of each correspondingly increased.

Amount of the Government paper circulation

The total issues of the Government paper now amount to nearly 11 millions sterling, and at first sight there would appear to have been an advance of 6 millions beyond the paper circulation of the three banks which it replaced, which never exceeded 5 millions. But the comparison is made here between two quite different

* The circulation of three of these, in Southern India, is quite insignificant, being altogether only about 150,000*l.*, so that, practically, the number of circles is reduced to seven. An additional circle has lately (1870) been opened in Berar.

things, and a considerable deduction must be made from the present circulation in order to arrive at the virtual increase. The circulation of the banks was the amount of notes actually issued to their customers. The present note circulation represents the extent of the issues from the offices of the Currency Commissioners, and includes the portion of those issues held by the banks, which has not yet passed into the hands of the public. It is true that these reserves have been received in exchange for coin; but in estimating the extent of the convenience afforded to the public by the paper currency, these reserves (which are considerable) should plainly be excluded. A very large deduction should be made, in the same way, on account of the reserve of notes held by the different Government treasuries throughout the country.

Further, it appears, from the latest returns, that of the total issues, no less than $9\frac{1}{2}$ millions belong to the presidency circles, and only about $1\frac{1}{4}$ millions to the circles in the interior, where a paper currency has been for the first time established by the Government. Now, it may fairly be presumed that the increase of note circulation at the presidency towns has been due mainly, if not entirely, to the great extension of trade which has taken place since 1861, and would have occurred to the same extent if the note circulation had remained with the banks, and they had been allowed to extend their issues to the amount found necessary. The total increase of paper circulation due to the establishment of a Government currency may therefore be deemed to be represented by the circulation in the interior of the country; and as probably at least one-half of this is held by the different district treasuries—having, in fact, been merely transferred from one department of government to another—the total amount of this increase will be not more than about three-quarters of a million.

In order to appreciate the perfect insignificance of such

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quite inconsiderable, compared with silver currency,

a result, we have only to consider that, during the last thirty years, the silver coinage turned out by the Indian mints has amounted to more than 176 millions sterling. It is moreover reasonable to suppose that, at the commencement of that period, the silver coin in circulation was at least 50 millions; and as the exports of bullion from India have been comparatively trifling, we may assume at least that—even allowing a large margin for the conversion which takes place of rupees into ornaments—there is not less than 150 millions sterling of silver money in India at the present time. The larger part of this sum is no doubt held by the agricultural communities spread throughout the country.

and the result that might be expected.

These figures, while showing how small has been the advance so far towards the introduction of paper money, serve also to indicate the degree of development which it might eventually obtain, if the measure were successfully carried out, and the notes found their way into general circulation side by side with silver. But before pointing out what appear to be the conditions needful for this object, the advantage to be derived from a large paper circulation will first be referred to.

Advantages from a paper currency: 1. Convenience of trade in exchange.

This advantage is threefold. First, there is the advantage to be realised by the mercantile community. For the mass of the people of India it seems probable, as has been already observed, that a silver currency is sufficiently convenient. But for the general business of trade, so bulky a medium of exchange is, no doubt, very unsuitable. Before the introduction of the paper currency, drafts between Calcutta and the interior had often to bear a discount of three and four per cent., due in great measure to the cost of transmitting specie; and there was also a considerable discount on remittances in the opposite direction. This was a heavy drag on trade. Already, though the working of the currency is still in its infancy, it has had the effect of nearly equalising the inland exchanges; and although the banks have lost the

large profits they used to make thereby, the public in general, and traders in particular, have been gainers in proportion.

2. From the increase of money resulting.

Next, an important, although indirect, advantage from a paper currency is, that it increases the quantity of money in circulation. For the greater part of the notes issued, the equivalent in coin is of course paid into the Currency Department, there to remain in reserve for the conversion of the notes if presented for payment. But, in every country, it is found that a certain portion of its paper currency may safely be issued without any equivalent withdrawal of coin from circulation; and the effect of the measure is thus far precisely the same as would be produced by the discovery of an equal amount of the precious metals, and the wealth of the country is to that extent increased. Up to the present time, the increase of the circulation from this cause has been only four millions sterling, and this, compared with the total circulation, is hardly appreciable. But should the paper currency be largely extended, the increase of money due to the measure might be very considerable. Now it is generally admitted by political economists that the effect of an increase of money is not merely an increase of wealth, in respect of its being an addition to commodities generally, but that it also tends to stimulate the production of other wealth; that in this way the discovery of the goldfields gave a great impetus to commerce; and that, in fact, it is an essential condition of an active and profitable state of trade that money should be cheap—not cheap, of course, as regards the rate of interest and discount, but cheap with respect to other commodities. In fact, it may be asserted that, but for the production of the goldfields, the present extent of the world's trade could never have been reached; while the total increase of wealth which has accrued since their discovery, far exceeds the amount of the gold itself which has been produced. And what follows from the

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discovery of gold is equally a consequence from the issue of paper without a coin reserve. Suppose—to take an extreme case—that the Indian paper currency suddenly reached a hundred millions, and that a cash reserve of only fifty millions were retained, the other half of the produce of the notes being invested in Government securities. The first result would be the virtual extinction of one-half the Indian debt, and a corresponding reduction of taxation, which alone should give an impetus to trade. But still more important would be the result of the addition made to the money in the country. The holders of the notes would have a hundred millions in place of the coin exchanged for them, and the holders of the Government stocks which had been redeemed would have fifty millions in coin in place of their stocks, which fifty millions would be so much additional to the capital of the country. So far as the Government is concerned, the result would be just the same as if it had found fifty millions sterling of treasure: it has made a profit of that amount, and can employ it either, as supposed above, to reduce taxation, or in improved administration, or public works. On the other hand, the impetus given to trade would be very great, because the holders of the fifty millions received in redemption of the Government stocks, would be obliged immediately to seek for other investments. The effect of so large a capital becoming suddenly available for disposal would necessarily be highly beneficial to the country at large.

Effect of this increase on prices.

Among the other results from such a sudden expansion of capital, would certainly be a rise of prices. But this is not a result peculiar to an increase of currency from an emission of paper; it also follows from all improvements which economise the use of currency. Cheques, bank credits, bills of exchange, clearing-houses—all the devices of modern commerce for economising the use of the precious metals, by diminishing the quantity of them required for conducting the business of exchange, and

therefore increasing the amount of money available for other purposes, have the effect of cheapening money, and making other things proportionally dearer, and persons whose incomes are derived from salaries or fixed investments are so far losers. But the country generally benefits, and with its gain all classes must profit indirectly. Commercial prosperity means prosperity for every one, and not merely for those engaged in trade; and when the employers of labour—whether the State or private persons—are wealthy, there cease to be such things as fixed salaries, because business, and the establishments required to conduct it, are constantly increasing.

3. Profit to be derived by the Government.

The third great element of gain, that which would accrue to the Government, has already been referred to. An extreme case has certainly been assumed, for the expected result cannot of course be suddenly arrived at. But, considering the large amount of the present silver currency, and the constant expansion of Indian trade which takes place, it seems quite reasonable to assume that the paper currency, if successfully carried out, would attain a very large circulation. So far as the people generally are concerned currency notes have not yet attained any circulation whatever, beyond the immediate neighbourhood of the offices of issue. Yet it is to supply their wants that the large silver coinage has been developed during the last thirty years. The money of India is not held by capitalists, or by the banks, as is the case in commercial and highly-civilised countries, but is spread over the face of the country among the vast agricultural population; and should the paper currency ever come into favour with the people generally, and circulate freely from hand to hand in every Indian bazaar, like the coin which it represents, the paper circulation would probably be developed at the same extraordinary rate that has marked the increase of the silver currency during late years; nor does it seem unreasonable to expect that a paper circulation of 100 millions sterling would be

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rapidly attained. As to the reserve to be held, there are circumstances, to be referred to presently, which should render an Indian paper currency in a peculiar degree stable; and, considering that the note issue in England is usually nearly twice as large as the cash reserves, an Indian issue of 25 millions in excess of the coin reserves, or one-fourth the total paper circulation, is at least not an extravagant estimate. Whether this issue be effected quickly or slowly, the result is, in either case, that the Government derives a profit of that sum, just as much as if the same amount of treasure had been found. And although a profit of this kind can only be made once and for all; still, when the difficulty is considered of raising money by additional taxation, and when it is remembered that the income-tax, after all the trouble attending its imposition, realised only eight millions in five years, it will be admitted that any measure which offers a chance of bringing in three times that amount to the imperial treasury is, from this point of view alone, highly important. And the first step towards the realisation of this object will be the discovery and removal of the causes which have so far obstructed the progress of the measure.

Causes for comparative failure of paper currency measure.

The reasons, then, why the Indian paper currency has so far had such a limited circulation appear to be of two kinds. First, the denominations of note employed are not suited to the circumstances of the people; secondly, the note is practically inconvertible throughout the country.

1. Denomination of lowest note not low enough.

As to the first point, it is true that the lowest denomination of note—ten rupees—is only of one-fifth the value of the lowest note used in England, but it is still much too large for use in the ordinary course of business. So would the five-pound note be found in England, were it not that the custom of trade there places on the creditor the burden of finding change for a note whenever it is presented. A person who has to pay a few

shillings to another, tenders a five-pound note, and expects, as a matter of course, that the payee will accept it, and give him back the difference in silver and gold. In matters of this kind, the custom of a country has the practical effect of law; and under the keen competition of English trade, no retail dealer could refuse to accept the burden of finding change, under pain of losing his custom. Nor is the obligation in reality troublesome. Every English tradesman has an account with the nearest bank, which receives its customers' money when paid in, whether in notes or coin, and supplies them with change in turn without any charge. But the course of trade in India is in no way analogous to this state of things. Except in the presidency towns, custom enjoins that the purchaser shall find the needful change—that is, shall tender the exact amount of the payment due; and therefore (the paper money being practically inconvertible) on every purchase for less than ten rupees, he has to pay a discount for cashing his note.

A one-rupee note desirable.

In order, therefore, that the paper currency should be really suitable to the wants of the people, the introduction of notes of smaller denomination appears to be required. The paper-currency measure, as originally proposed, provided for the use of a five rupee note; but the retail trade of India is carried on in such a minute detail, as regards individual transactions, that even this would be too large effectually to answer the purpose. Nothing larger than a one-rupee note is likely to prove suitable; while, in order to encourage its circulation, dealers might be supplied at a wholesale price, like stamp-vendors; it is in this way that the copper coinage of India is now got into circulation throughout the country. Such a note, it may be noticed, would be much more convenient if made of card, or still better of leather, than if made of paper.

2. Note practically inconvertible. from

But a still more effectual check on the extension of the Indian paper currency is its practical inconvertibility.

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extent of circles of issue, and absence of means for cashing it.

The circulation of the Bank of England note is secured, because, although coin can be demanded for it only at the bank in London, every town in England contains persons who have business with London, and to whom, therefore, the bank-note is as convenient a form of receiving payment as coin. Moreover throughout England the means of communication are rapid; commercial intelligence has attained to an advanced state of development; and confidence in the paper currency has been established by experience. But there is nothing analogous in the circumstances of the Indian currency. Each of the currency circles forms an extensive territory, equal in size to a great European kingdom; and the mere fact that the note is payable on presentation at the head of the circle is quite insufficient to constitute practical convertibility. The town where the office of issue is situated is not in a great centre of money operations, from which an extensive movement of notes or coin could be made to proceed; and therefore, in the absence of any special demand for the means of remittance from the different parts of the district comprised within a circle to the head-quarters' town, the convertibility of the note at the latter place will be quite insufficient to make the note circulate at par throughout the country generally. In order that the notes might have this free circulation, it would be necessary that the demand for them should be equal to the supply—or, in other words, that there should be as many persons desirous of receiving notes as there are persons wanting to pay them away. Now, at present, the only parties in each district willing to take notes in payment for debts due are the agents of Government; and, therefore, the only persons who can get notes readily taken off their hands are those who have payments to make to the Government. Thus, in order that a person holding a note may get rid of it, he has to find out some one who belongs to this class; and as that is a very limited one, the intermediate agency of money-changers becomes

necessary—hence discount charges, and the depreciation of the note. The usual charge for cashing a note in the Indian bazaars is one per cent. To pay a person of the poorer classes, such as a domestic servant, by a bank-note, is practically to mulct him of a part of his dues.

Remedy: to make every district treasury an office of issue and payment of notes.

The remedy for this state of things appears clearly to be the extension throughout the country of facilities for cashing the note. And these would be provided by making the notes payable, on presentation, at every district treasury throughout the country—which would have the effect of increasing the number of issue offices from ten to upwards of two hundred.

Provision necessary to be made for carrying out the change;

The objection always brought forward to such a proposal, is the difficulty of providing a reserve of coin sufficient to meet the demand that might be made for it, by the presentation of any amount of notes at any treasury; and, at first sight, it might appear almost impossible to secure this provision. But a good deal of the apparent difficulty disappears on examination. By far the greater part of the Government treasuries are situated in rural districts, where the currency is held mainly by an agricultural community, and is not liable to sudden fluctuations from the operations of trade. At all such places the demands for cashing notes would be equable in character, and their extent readily ascertained by experience. The quantity of money in circulation is no doubt steadily increasing in every district throughout India, and in most parts there is, at certain seasons, a considerable inflow of specie, imported for the purchase of agricultural produce. The burden of transmitting this specie to the interior would now have to be undertaken by the Government; but there would be nothing risky or uncertain in the operation, and the cost of it would be amply recovered in the profits of the paper currency. Moreover, it is clear that, in proportion as the convertibility of the note is rendered easy, the demand for specie for the purchase of agricultural produce from

in agricultural districts;

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the cultivators will diminish. Until the note has become really current, only coin can be used for this purpose; and on the district treasury being first converted into an office for cashing notes, no doubt the immediate result would be, that while the remittances of traders from the seaports to the interior would be made in notes, these notes would be immediately presented at the district treasury for conversion into coin, to be distributed among the cultivators in the form of advances, without receiving which no Indian farmer can harvest his crops. But it may fairly be anticipated that, so soon as the convertibility of the note on presentation at the district treasury became an established and familiar fact, and the note, instead of being an object of suspicion, was as readily current as the rupee, the necessity for making these advances in coin would cease, and notes would no longer be returned, as soon as issued, to the treasury for payment. The burden of making remittances 'up country,' to meet the notes remitted by private parties, would then cease in great part. The notes would come to be used, not only as a means of remittance, but as the medium of final payment; and the cash reserve necessary to be kept at each treasury would ultimately become only a certain fractional part of the average quantity of notes in circulation.

and in commercial districts.

Such would be the case as regards the common run of purely agricultural districts. With respect to the large commercial towns—as Patna, Mirzapoor, Dacca, and the great cotton marts—it would be somewhat different, because trading operations take place there on a more extensive scale; and the greater variations in the demands of the currency likely to arise in consequence, would no doubt require special care and provision. Since the exports of the country are much in excess of the imports, the course of trade tending from these places to the seaboard, the difference has to be paid for in money; and since at these places there is the liability to sudden fluctuations in the movement of capital, con-

siderable coin reserves would have to be kept in the treasuries, to meet the demand for cashing notes which might arise. But the conditions already pointed out, as governing the course of the measure in the less important parts, would be generally applicable here also. The main point of difference would, in fact, be simply this—that, in such localities, prudence demands a larger proportion of specie reserve to note circulation. The cost of remitting coin to meet the flow of notes to the interior, which would thus have to be borne by the Government, would probably however even here not be considerable, compared with the profits to be derived from the paper currency. The banks were prepared to undertake it for a very moderate remuneration, if the management of the business had been given to them; while, as has been already pointed out, just in proportion as the Government extends facilities for cashing notes, will the demand for cashing them diminish.

3. Abolition of currency circles.

It needs hardly be said that the system here advocated contemplates the entire abolition of currency circles, and the establishment of one universal note for all India. This seems to be quite a necessary condition of its ready convertibility. The scheme of currency circles may be thought to possess the merit of safety but it would be still safer not to have any paper currency whatever. If India consisted of a congeries of separate nationalities, with distinct geographical or political differences, or even if the course of trade were marked by well-defined commercial boundaries, so that these circles corresponded to so many isolated political or commercial divisions, their maintenance might, perhaps, not have been attended with extreme inconvenience; although, even then, this creation of diverse artificial monetary systems—at a time when European nations are endeavouring to remove the barriers which now hamper the operations of trade—would be a step backwards. But the actual state of things is entirely the reverse of this. There is no such thing in India as a

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self-contained, isolated circle of commerce. The commerce of the great ports is, of course, entirely derived from the trade of the interior; while, even in the interior, the course of trade is diverted indifferently to the east or west coast, according as the consignments of produce have been purchased by merchants at Calcutta or Bombay. Under this state of things, the maintenance of these separate circles is utterly incompatible with a free development of the paper currency, and their effect must certainly be to keep the measure dwarfed down to the most insignificant proportions. Notes cannot now be made use of for purposes of trade, because they are not current beyond the circle where they were issued, and it is, in most cases, beyond that circle that the merchant would have to employ them. Thus, a Bombay merchant cannot use notes to buy cotton with, because the cotton districts are beyond the Bombay circle. The same thing holds good all over India. Such a restriction may, in one sense, secure the convertibility of the note, but it does so at the cost of completely preventing its circulation; whereas the object that should be kept in view appears clearly to be the utmost possible extension of that circulation, the security of the issues being maintained by independent measures. The fact that the circles were originally devised by the late Mr. Wilson cannot, with present lights, be deemed to carry much weight. At the time when they were first proposed, the whole matter was experimental, and was necessarily introduced with caution;* but there can be no doubt that able economist was bent on making the establishment of his Indian paper currency a thoroughly successful measure, and it may fairly be presumed that he would have been the first to propose a modification of the plan, on finding how completely the maintenance of these circles rendered it inoperative. Those who differed in opinion from him on the currency question would readily

* The measure did not actually come into operation until four years after Mr. Wilson's death.

allow that his theories on that subject were not likely to err on the side of excessive caution.

Change should be carried out gradually.

But while the universality of the Indian note appears thus to be an essential condition of a really useful and comprehensive measure, it seems not the less necessary that the change should be carried out very gradually, the measure being extended only by degrees, from point to point, throughout the country. It is customary, indeed, to take for granted that every administrative change should have universal and simultaneous effect throughout India, and the notion is a standing difficulty in the way of all sorts of improvements. Its effect on finance and taxation has been already referred to, and it would be especially a difficulty in the case of a change in the currency system. The operation, carried out in that way, becomes then too extensive for the superintending authorities to watch over in all its parts; friction arises in different quarters, from want of care or intelligence in local agents; and disrepute is thus brought on the measure. But, by proceeding gradually—beginning, for example, with the district treasuries in Bengal, and applying the new arrangements to them, one by one, before proceeding to other provinces; extending, at the same time, the limits of the three presidency circles by degrees to absorb the others, and then finally merging those three circles into one—the danger of miscarriage would be greatly reduced. A gradual process of this kind would admit of the treasury officials being trained to the efficient performance of their new functions, while the space of three or four years should suffice to convert every treasury in the country into a currency office. And, which is still more important, time would be afforded to watch the course of movement of the notes, and to find out the weak points where the demand for coin in exchange for them is likely to be exceptionally large. Little or nothing is known on this head at present, but experience will soon enable the facts to be ascertained. Probably the strain on the currency, from

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this cause, will be manifested in periodic cycles, occasioned by the course of trade; but when once their *régime* is known, it will not be difficult to provide for strengthening such places by adequate specie reserves. It may here be remarked, that, since the working of the system would involve a considerable movement of specie, its success would be greatly facilitated by the introduction of a gold coinage.

Summary of foregoing proposals.

Such, then, is the state of the case as regards the Indian paper currency. It appears that, while the extent of its circulation is at present quite insignificant, an enormous extension may be anticipated; while such an extension, provided the system can obtain the confidence of the people of India generally, should be in a high degree profitable both to the country and the Government. The measures needed in this view appear to be—first, the introduction of a low denomination of note, adapted to the wants of the people; secondly, the abolition of the separate circles of issue; and, thirdly, the conversion of every Government treasury throughout the country into a currency office, where the note may be payable on presentation. The effect of these measures should be to secure the full circulation of the note, as an effective portion of the currency, and to make it as readily transferable as coin. Its perfect convertibility would be secured by keeping in hand an adequate reserve of specie.

Conditions of India favourable to stability of currency.

The proportion which this reserve should bear to the whole paper circulation is a matter which can only be determined by experience, and the extension of the issues in excess of that reserve would of course be very gradually and cautiously made. But it is important to observe that the same condition which would render the Indian paper currency a source of profit, if thus fully developed, would also tend to insure its safety; this condition being the primitive monetary system of the country, which involves the use of a very large quantity

of money in comparison with the extent of the transactions involved. In England and other countries where commercial arrangements have reached an advanced state, the different refinements employed for economising the use of money—banks, cheques, book-credits, &c. —have also the effect of tending to intensify the disturbance caused by any fluctuation of the precious metals. About thirty millions of notes and twice that quantity of gold suffice for transactions which amount to vastly greater sums in the course of the year. But the result of this economy is that the effect of any change in the amount of the circulation is magnified in proportion, and thus a drain of a few millions of gold from England to the Continent often proves sufficient to disturb credit represented by amounts many times greater. But in India there is nothing corresponding to such a state of things, except in the immediate centres of European trade. A foreign drain of specie never occurs; there is no economy employed in the use of money, all transactions being effected, as a rule, by actual payments; lastly, the bulk of the money in circulation is held by an agricultural and not a commercial community. The characteristic of a paper currency in such a country will, therefore, certainly be fixity in amount, so soon as it extends beyond the centres of trade, and becomes employed by the people generally. Under such conditions, any sudden or extensive fluctuations in the demand for paper money are very unlikely to occur; and a monetary panic, with the most ordinary degree of care, is well-nigh impossible. Here, then, lies the peculiar advantage offered by the measure. No other country could offer the same opportunity of profit, available in so simple a manner.

Extent of specie reserve necessary.

As to the extent which the paper currency may attain, it is reasonable to suppose, as has been already pointed out, that an increase of the total circulation of at least one hundred millions will take place during the next

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thirty years; and if the paper currency be well managed, the augmentation might be made almost wholly in that medium. And if three-fourths of this circulation were covered by a specie reserve, a proportion which even the most cautious financier would probably deem safe, there would remain a profit of twenty-five millions, or nearly a million a year—considerably more than is produced by a moderate income-tax.

Views of different authorities on this head.

While referring to the subject of specie reserves, it may be noticed that the representatives of the two currency schools, although looking at the matter from different sides, appear to be agreed in reality upon all essential points. Mr. Wilson proposed that the reserve held by the Currency Department should be at least one-third the amount of the notes in circulation. Mr. Laing and Lord Halifax, on the other hand, have provided that four millions sterling may be issued in notes, against securities purchased with the proceeds, and that all issues in excess of that amount shall be issued only against specie. But what both parties really looked to was, that the convertibility of the note should be absolutely secured by an *adequate* reserve. Mr. Wilson expressly disclaimed any intention of working down, at first starting, to a minimum reserve of one-third; and it may fairly be presumed that he would have felt his way cautiously, and have reduced the proportion of the coin reserve only by degrees, as the paper currency extended, and made its way among the population. On the other hand, it may be presumed that the framers of the scheme which has actually been carried out did not intend to maintain the limit of four millions in perpetuity, but were prepared to extend it from time to time by legislative enactment, as circumstances showed the advance to be safe and desirable. The total present circulation being about 11 millions, the specie reserve of 7 millions appears already needlessly large, and the reserve of 4 millions in securities might be increased without any

risk.* And in proportion as the note circulation extends, will the minimum below which it cannot fall extend likewise; and it seems reasonable to expect that, looking at the peculiar conditions of India, Mr. Wilson's proposed reserve of one-third might eventually be found by experience to be amply sufficient for the purpose. Even on the more sober estimate taken here, the prospect offered by the paper-currency measure is such as to invite a vigorous effort for its successful completion.

* Note to 2nd Edition.—A Bill has lately been introduced into the Legislative Council of the Governor-General, authorising the Currency Department to purchase two millions more of government securities with its specie reserve. The effect of this operation will be a permanent saving of 80,000*l.* a year in the public expenditure.

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